



RockyTalk

FOOD FOR THOUGHT. INFORMATION FOR BUSINESS.



Investing in Our Greatest Resource

BY BRAD GJERMO, CEO



Somewhere in their company literature, virtually every business states, “Our greatest asset is our people.” We say that because it’s true. However, it is also true that the wrong people can be a company’s greatest liability.

In the classic business book, *Good to Great: Why Some Companies Make the Leap and Others Don’t*, author Jim Collins compares a business to a bus and the company’s leadership to the bus driver. His point is that success starts by getting the right people on the bus. I will take that one step further and add that we need to get those people in the right seat as well.

All this to say that filling key positions within Rocky Mountain Supply is one of the most important things we do. Our first step is to discuss what we are looking for in three areas – education, experience and general skill set. Next, virtually every position is posted internally within Rocky Mountain Supply. This gives all employees the opportunity to apply and potentially grow in their careers. We also search for candidates outside of RMSI, because at the end of the day our objective is to find the best candidate.

Stimulating growth

After employees are placed in their position, we work hard to ensure we provide them the training and guidance needed

to succeed. In the employee development industry, it is said that 70% of what an employee learns is learned through on-the-job experiences, 20% through supervisor coaching and counseling and 10% through formalized training sessions that are generally held away from the work site.

For formalized training, we work extensively with our two regional cooperative partners, CHS Inc. and Land O’ Lakes®. This training involves topics such as sales, marketing leadership and financial management. We also rely upon these partners, as well as other vendors, to provide technical product training to our employees both onsite and offsite.

For example, four of our employees — three store managers and our controller — attended a development program called “Leading for Success.” This involved both onsite group sessions and conference calls for progress updates. There are numerous “homework” assignments, as well as a major project for each employee to develop that can be implemented in their own workplace.

Virtually every RMSI employee participates in some kind of formalized training program at some point each year. This does not include the training and development received through onsite work experience, coaching and counseling with their supervisors. Ultimately, this results in both a quality workforce to serve you and a path for employee development and advancement.

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Recently our senior leadership team kicked off a project called Strategic Talent Development. The program goal is to help us better evaluate the abilities of our key employees, and identify those who have the desire and ability to move into positions of greater responsibility. Our intended result is a more motivated and loyal workforce as they see the opportunity to advance in their career.

At the end of the day, we can have the most attractive facilities and rolling stock, but if we don't have talented, well-trained employees to serve you we won't be successful. As our vision statement says, we want "to be the premier provider of energy, agronomy, farm and home products and services where every customer and employee is our priority." I hope this gives you a better picture of what we are doing with our employees to help accomplish this vision.

In closing

I'll end with an example of the difference one committed employee can make. Randy Craig has spent much of his

career growing and developing in Rocky Mountain Supply and one of our predecessor companies, Gallatin Farmers Company. As RMSI's agronomy division manager, Randy committed 25 years of his professional career to serving our members.

Randy has had one of the more difficult jobs in RMSI, as there are many challenges beyond his control – droughts, floods, commodity price cycles, technology and how competitors act, to name a few. All can significantly influence the results within his division. Randy has always faced these challenges head on and led the agronomy division to success along the way. He has positioned the division well for the next leader to experience continued success.

Randy will be retiring this fall, and I would like to wish him and his wife, Patti, nothing but the best in their next chapter. I know he has no plans to leave the Gallatin Valley and is excited to finally have more time to commit to that "To Do" list at home. ◆

Soil Testing Makes Economic Sense

BY JEFF NESBITT, AGRONOMIST

Fall is the best time to soil test, and testing is an important way to make the best use of your input dollars. Testing allows us to nail down the N, P, K and micronutrient levels in your soil. The results enable us to write a fertilizer recommendation for next year's crop.

We know times are tight, but the cost of soil testing is repaid many times over. When you know what's in your soil, you're not guessing at what you need to apply. That keeps your fertilizer costs in line on the front end while maximizing

potential yields on the other. It's the classic win-win.

Why is fall the best time to test? Come spring, if we can get into the field to soil test, you can be in there working. Testing in the fall doesn't slow you down at planting time. Plus, that's one less set of wheels in your field during that critical season.

Contact your location agronomist to schedule soil testing this fall. We'll be ready to get in once you get your crop out. ◆



Unseen Heroes

BY BILL BALLIET, RETAIL DEPARTMENT MANAGER



It takes a lot of talented people to make a business successful. At Rocky Mountain Supply, some of these people play a vital role in delivering a great shopping experience for customers they may never meet. In this issue, I'd like to introduce three individuals who do most of their work behind the scenes – our receiving department heads.

These folks do a great job of receiving all of our goods, processing them and moving them to the floor in a timely manner. Without an efficient receiving team keeping product moving into our stores, we run the risk of disappointing our customers.

Katie Snowden – Dillon



I was born and raised here in Dillon and graduated from Beaverhead County High School in 2013. I have one little sister, Heidi. I enjoy being outdoors, fishing, hunting, hiking and playing in the snow! I have two Husky fur babies, Xena and Spartacus.

I started at Rocky Mountain Supply in 2018 as a cashier, then moved into receiving as the assistant before moving up to department head. I like being busy and the receiving room is always busy! I feel this position has allowed me to grow in many different ways – organizational skills, time management and as a person. The company has given me many opportunities and training to help me with my position. I love being part of the Rocky family and love my team!



Brittany Delegant - Belgrade

I am originally from Washington and have been in Montana for six years. In my spare time, my son and I like to trail ride and barrel race together.

I recently joined the team here at Rocky Mountain Supply and was welcomed with open arms from the day I asked for an application. I love the people I work with. Their passion for our purpose and our products lives through their actions every day.



Payton Dobbs - Townsend

I was born in Tacoma, Washington, and after moving throughout the United States with my family for years, we finally settled down in Townsend, Montana in August of 2011. I consider Townsend my home because I've spent the most time here and have fallen in love with the

Montana lifestyle. I love everything that has to do with the outdoors including hunting, fishing, riding horses, camping and anything else you can think of. I have my sidekick with me almost anywhere I go – a beautiful black lab with the sweetest personality! We look forward to spending as much time as we can with my family and friends when I'm not busy working.

I started working at Rocky Mountain Supply in March of 2015 as a part time cashier while going to school. Through the years, I worked my way up to full-time and was given the opportunity to become the receiving department head over a year ago now. I've enjoyed watching Rocky Mountain Supply grow over the years and being a part of the success we've had in our Townsend location. Working at RMSI has also given me the opportunity to meet a variety of people, make many new friends and have my own little family in my workplace. I couldn't be more grateful! ◆



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New Agronomy Manager Has Montana Roots

BY BRAD GJERMO, CEO

I am pleased to announce that we have hired Luke Neal as the next agronomy division manager for Rocky Mountain Supply. Luke comes to us from Bleyhl Co-op in Grandview, Washington. There he has served for the last 4-plus years as vice president of agronomy, helping them grow their agronomy business from \$14 million to \$22 million during his time. Prior to that, he served in an agronomy sales role with Pinnacle Co-op in Stanley, North Dakota and also as credit manager at Mountain View Cooperative in Great Falls.

Luke is a native of Augusta, Montana, growing up on a ranch/farm about seven miles west of town. Luke and his

wife, Linzee, have been married for four years. Linzee grew up in Belgrade. They have two children; Harry, 3, and Madlyn, 10 months. Luke also served our country in the U.S. Army and Army Reserves, spending one year in Iraq. He is a graduate of the University of Montana – Western with a degree in business management. Luke's hobbies include hunting, fishing and enduro motorcycle riding.

Luke plans to begin with Rocky Mountain Supply November 11, 2019. He and his family will soon be relocating to the Belgrade area. When provided the opportunity, please welcome Luke and his family to Rocky Mountain Supply! ◆

“Work Smarter, Not Harder”

BY TERRY SWEENEY, CHIEF FINANCIAL OFFICER



This is one of my favorite sayings that I hear around our office (mainly from our Controller Cayla Watson – her expertise includes Excel pivot tables among other valuable efficiency skills). As a company, Rocky Mountain Supply is always striving to improve our efficiencies. We are constantly looking for ways to use technology to our advantage to save time and, in essence, save money. As a cooperative, that means a better bottom-line and more patronage for our members.

We also are looking for ways to make your shopping experience with RMSI more enjoyable and time efficient. We have been implementing technology over the years to help speed up your retail wait times, make your fueling experience faster and improve your online experience with us by providing online statements, year-end statements to help you during tax time, PDF invoice copies and the ability to pay online. RMSI petroleum recently invested in a new ticketing system on board their fuel trucks to better serve you. These digital invoices are now available for you to review online at your convenience. We know how valuable your time is, and it is a priority for us.

Here is a recent study that I came across regarding how ‘patient’ we have become in this fast-paced 5G world. Here is the amount of time we are willing to wait until we reach the irritation threshold:

- Waiting in traffic without moving – 1 minute
- Waiting in line at a retail store without moving – 30 seconds
- Waiting for a streaming movie or TV show to start – 22 seconds
- Waiting for a website to open before moving on – 6 seconds

So, our goal is to meet your needs and expectations. We need to continue to improve our systems and processes, all while maintaining our customer service to you. As a co-op, RMSI faces a huge challenge when it comes to choosing accounting and point-of-sale operating systems. Large items like fencing and feed require lookups and price information. There are very few options geared towards facilitating customer patronage and equity management, as well as a fully integrated inventory, fuel, credit card and cash register system. However, we have come a long way.

When I arrived at RMSI ten years ago, customers were forced to endure a cash register system that did not have scanners and cashiers were typing in item descriptions, with no computerized inventory system. Yikes! Even though we’ve crawled out of the D.O.S. operating days, we still have room to improve. That is what inspired us to create a new efficiency committee known as SPEED.

SPEED (Systems, Processes, Efficiencies, Evaluation, Decision). Those of you old enough may recognize I borrowed this idea from Alec Baldwin in the movie “Glengarry Glen Ross” (and no, second place is not a set of steak knives).

The new SPEED committee will be taking on the challenge of improving our efficiencies, whether they be in the admin accounting system, on our fuel and fertilizer trucks, or at the cash registers in our retail locations. We may have to make some tough decisions and changes in our systems and processes. Some changes may cost money up front while others may take a while to implement, but it is an important process.

It may be the only way to improve our service to you as well as allow us to continue to grow. Technology can be a positive influence in our lives and help us do our jobs smarter and faster; as long as it helps us all save time to do the more important things in life, like spend time with family and friends. ◆

The Time Has Come

BY RANDY CRAIG, (ALMOST RETIRED)
AGRONOMY DIVISION MANAGER



There comes a time in all of our lives when we need to contemplate retirement and decide to pull that proverbial trigger. That time has come for Randy Craig. I want you to know that I have had a great run at Rocky Mountain Supply. Over the last 25 years, I’ve appreciated the opportunity this farmer-owned cooperative has extended to me. Our patrons are some of the finest folks in any agricultural community, and the most dedicated, hardworking and definitely fun-loving pranksters I’ve ever had the pleasure of working with.

Through the years, we have been challenged with weather issues, supply issues, trucking issues, employee issues, equipment breakdowns, depressed markets and exceptionally good markets. In the end, we have always made it through the spring and fall seasons – though sometimes more battered than others.

Life has always been a learning experience and this opportunity with Rocky Mountain Supply has not failed me there. With the guidance of a progressive board of directors and the fiscal knowledge of an outstanding management team, we’ve built an agronomy division that gives the patrons of this coop some of the most up-to-date equipment and facilities in the state of Montana.

When I look back at why the agronomy division has been so successful, it’s not hard to figure out. Our employees are as committed to the success of Rocky Mountain Supply as any group could possibly be. This is a unit of people who worked 12 to 16 hours a day when fertilizer needed to be applied to your farms and ranches. They are also a group that loves to laugh and enjoy a very well-planned practical joke.

I could spend a lot of time recognizing individuals and companies that stand behind the scenes like the trucking firms, the company representatives and university scholars, but these people know who they are, and I know they are the backbone to our success.

I would like to thank every patron that I’ve worked with over the years for your business and your friendship. It has truly been an honor to serve you. ◆

It Takes a Team

BY JASON RORABAUGH, ENERGY DIVISION MANAGER



As Brad said in his article, the right people in the right seats make all the difference. In the Energy Department, we have some of the very best people on our bus. I've asked the four of us in Energy Admin – myself included – to share a little of our story and talk about why we love what we do. We'll introduce other members of

the Energy team in future newsletters.

Let's start with me. I came to what was then Co-Op Supply 25 years ago, fresh out of Montana State University. I'm a Dillon native, so I started working there in the feed store, then got into the Management Apprentice Program (MAP) with Cenex®/Land O' Lakes. Eventually, I became the Assistant Manager of Co-op Supply.

After the merger that created Rocky Mountain Supply, I was Chief Operations Officer for a time. When that position was eliminated, I was asked to become Energy Manager. That was 2004, and I've been here ever since.

Far and away my favorite part of this job is working with our customers and helping them solve problems. It's been fun watching RMSI grow from selling 8 million gallons a year to 23 million, and seeing our team grow right along with it. I have a really good team, which makes my job a lot more enjoyable.



Steve Schintzius

Steve was our first, and is still our only, outside salesperson. Hailing originally from Buffalo, New York, he's spent 48 years working in just about every aspect of the energy business.

"I've helped run the family oil company and sold fuel, natural gas and lubricants," Steve states. "Because of that experience, I know a lot about fuel and the fuel industry. I'm a good listener, which allows me to really learn about my customers and figure out how we can help them."

Steve covers more than 50,000 miles a year serving farm, ranch and commercial customers and prospecting for new business. "Calling on people is what I enjoy the most," he says, "winning their business and earning their trust. Bringing them to RMSI and making them happy – I love it!"



Justin Morris

The name may not be familiar to you, because almost everyone knows him as Beef. "I was on the Gallatin Valley High School rodeo team and was learning to steer wrestle," he relates. "Somebody called me Beef and the name just stuck."

Born and raised in Bozeman, Beef was trained in HVAC at the Denver Institute of Technology, but couldn't resist the call of the road. "I've driven everything – beer trucks, mixers, dump trucks, lowboys and log haulers," he says. "Eventually, Dawn's (Forcier) father told me about a job here, and the rest is history."

Now in his 10th year with RMSI, Beef transitioned from driving to Petroleum Operations Manager in 2016. "I had a review with Jason, and he asked me where I saw myself in five years," he recalls. "I told him 'Right here, because I love working here. But where could I be?' The next year I was in the office learning to manage the trucks. And when we're short-handed, I'll still jump in and make deliveries."



Dawn Forcier

Dawn has called the Gallatin Valley home since she was 10, when her family moved here from Vermont. She joined the RMSI team seven years ago and handles administration for the Energy Division.

"I take care of all the paperwork – the invoicing, fuel tax, billing, inventory – and sometimes answer the phone," she explains. "My job was basically created for me, and I haven't left. I like numbers, when they're not giving me problems, and I enjoy customer service. Rocky Mountain is a good place to work and Jason is a good boss."

A stay-at-home mom before coming to RMSI, Dawn was familiar with both the co-op and energy. "My father used to work for the co-op, and before I had my son I worked in the office and filled propane tanks for another company." ◆

Scholarship Program

Rocky Mountain Supply will be making four \$1,000 scholarships available to students whose parent(s)/guardian or applicants are active members of RMSI. Three of the scholarships will be awarded to students attending a four-year college or university. One scholarship will be awarded to a student attending a technical/community college or a two-year program at a college or university.

Details on the program are available on our website. Direct questions to RMSI's CEO, Brad Gjermo at 406-388-4009 or email bradjgermo@rmsi.coop or any Rocky Mountain Supply Board Member. ◆





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Our Mission: RMSI is an agriculture-based cooperative serving our customers with quality products and exceptional service.

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The Other Side of the Mountain

With the election of Ned Zimmerman, the Rocky Mountain Supply board of directors welcomed its first member from the east side of the Bridger Mountains. For this third-generation rancher, board service is a new experience that he's looking forward to.

"When I was approached to run for the board, I decided to do it for a number of reasons," Ned says. "One, it was an opportunity to be involved with an organization that I had been really impressed with. But the big reason was, when I came back to my place 30 years ago, there was just one neighbor my age. For a long time it looked like the community would wither away. But in the last 10 years, a lot of young people have come back and started families. At that stage in life, they have a lot on their plate and not a lot of spare time. I was inspired to do this for them. My kids were out the door and I was in a good place in my life to get involved with Rocky Mountain Supply."

The Zimmerman ranch lies in the Shields Valley near Wilsall. Originally, there were two families joined by marriage growing their ranching operations side-by-side. "That's how it went until my wife, Cindy, and I took over in the late 90s," Ned says. "We combined the two operations into one." Today, the Zimmermans run a cow-calf operation with around 300 cows. Both their children, Caity and Eric, are currently working off the ranch, but still live nearby.

Ned first became acquainted with Rocky Mountain by word of mouth. "Some of my neighbors had used the



store in Belgrade and also the agronomy services," he recalls. "I started using them as well, had some success and was happy with the service and the products they sold."

Though he's served on the local school board before, this will be his first foray into the world of cooperative board service. Though he expects to acquire knowledge and practices that he can use in his own operation, Ned says that board service to him — serving as a director — is part of a much bigger picture.

"My initial impression is that it seems like a great bunch of people to be involved with," Ned states. "Most everyone involved in agriculture today is sharp enough to do just about anything, but they choose to do what they do. One of the reasons is that they get to work and live in their communities with the people they love. Family, friends and community are really important. When Chuck Kohlbeck (board chair) talked to me, he said that keeping that sense of community alive was one of Rocky Mountain's priorities. That attracted me to the job." ♦