



Carl and Kim Casale Oral History Interview, November 6, 2015

Title

“Of International Business and Precision Agriculture”

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Valley Library, Oregon State University.

Summary

In the interview, the Casales discuss their respective upbringings and family backgrounds, with Carl reflecting on his Italian heritage and his life growing up on a farm, and Kim reflecting on a peripatetic youth that saw her live in four different states before she graduated from high school. Both then describe the paths that they took to attending college at OSU, as well as their involvements in the Greek system, the circumstances by which they met one another, their extracurricular activities - with a particular emphasis on Beaver sports - and their academic progressions in Agricultural Economics. Both likewise comment on influential individuals whom they met while undergraduates.

From there, the Casales provide an overview of their lives following college. Both recount the specifics of their early career trajectories - Carl at Monsanto and Kim at Bristol-Myer Squibb - and the family decisions that they had to make as their work lives advanced. They then share their thoughts on the building of skill sets and leadership traits that helped propel them as business executives.

The session then turns its attentions to Carl's decision, in 2011, to join CHS, Inc. as its Chief Executive Officer and President. In this, he recalls the factors that led him to making this decision and provides a glimpse into his life as the leader of a Fortune 100 business.

Next, the Casales tell the story of their Oregon blueberry farm, commenting on its origins and growth, and specifically detailing their use of cutting-edge precision agriculture technologies to help manage their property from their home base in Minnesota.

The interview concludes with the Casales thoughts on their continuing connection with OSU, noting in particular their involvement with the College of Agricultural Sciences and the OSU Foundation.

Interviewees

Carl Casale, Kim Casale

Interviewer

Chris Petersen

Website

<http://scarc.library.oregonstate.edu/oh150/casale/>

Transcript

Chris Petersen: Okay, today is November 6, 2015 and it is our pleasure to be speaking with Carl and Kim Casale here in the Valley Library, two alumni of OSU who have gone on to live very interesting lives that we'll talk about. I'd like to begin - I guess we'll start with Carl, we'll talk about your years before OSU, then we'll move to Kim, talk about your years before OSU. Then we'll get into OSU as kind of a group.

Carl, where were you born?

Carl Casale: I was born in the Portland, Oregon area, east Multnomah County. Parkrose was the community.

CP: And you were raised on a farm, is that correct?

CC: Yeah, we actually, suburban and farming back then were still comingled. The original family farm literally touched the Portland airport. It was literally adjacent to it. So we lived in the Parkrose community, not on the farm but about ten minutes from the farm. But like I said, suburban and rural were kind of intermingled at that point in time.

CP: Can you tell me a bit about your family background?

CC: Sure, I'm the fourth of six kids; three boys, three girls, so I've got a younger brother, a younger sister, and then two older sisters and an older brother. I grew up in that area, went to a Catholic grade school for four years, and they went through a period of really difficult times and basically our school closed down. So I switched to the local public grade school and transitioned to junior high and public high school; graduated from Parkrose High School. But I grew up working up on the farm every day that I wasn't in school, basically. So back in those days, that was before there was a lot of migrant labor, and you were dependent upon family. And back in that day, literally, you went down to Burnside Avenue in Portland next to the shelters and you would see who would want to work on any given day, and you'd put them in the pick-up or the truck, and you'd go out and that was your farm labor for the day.

CP: In your family, was there a long lineage of farming?

CC: So we, Kim and I, farm today, and we'd be the fourth generation in the Portland area. But I'm from a family of Italian immigrants that landed in Portland in the very early 1900s, and they became pretty successful pretty quickly, and helped to bring other Italian immigrants in, which is usually the way that, you know, people like to be around people that they know, and there was comfort with that. So they helped bring a lot of other immigrants in.

But my great grandfather, who I never met, unfortunately died when he was still relatively young. My great grandfather and one of his sons were killed by a train at a crossing - the truck stalled, he couldn't get off, and the train hit it and they were both killed. And then my grandfather's mother had already passed away, and then he had two brothers that drowned in the Willamette River, one that fell in and one to go save him, which is a story you hear fairly often. So by the time he was about twelve years old he was an orphan with two sisters and actually went to Mount Angel Seminary to be raised until he was old enough to move on.

But he went on to the farming community, Parkrose area, and then married my grandmother who was from the area as well. They settled in that area and the family was there until the Port of Portland did a land-taking in the early 1970s and bought the farm, and then the family at that point in time relocated to what we call Wilsonville, but it's an Aurora zip code, and that's the farm that Kim and I own today. And of course, you know, I was about twelve years old at the time, that was the end of the world then, and it was almost just zoned for industrial here in the last urban rebounding two years ago. And so of course we're surrounded now by—there's some other farm land, but there's a lot of suburban inter-sprinkled with it as well.

CP: Did you grow up with aspects of Italian or Italian-American culture in the house?

CC: Very strongly. My memories, for as long as I can remember, were the big Italian, just exactly what you'd expect - just rows of tables with checkered red tablecloths and lots of food and lots of family members with big jugs of red wine, just like the Italians always did. And I remember that as a very happy time, very large family gatherings. And then to this day, my great aunt, who would be my maternal grandmother's youngest brother's wife, still hosts a large family Fourth of

July party every year. And that will begin to transition. As you go to that party now, they are kind of the last generation, or the last of that generation, and are now beginning to pass. And so the question becomes, just like anything, as the family tree broadens out and you become less and less connected, will those traditions continue into the future?

CP: What type of farm was it?

CC: We would call it a truck farm. It was very typical Italian, all the fresh fruits and vegetables and some of the major customers back then would have been Fred Meyer, and it was Fred Meyer and Safeway stores and Albertson's. But there's still to this day a very large wholesale produce business in downtown Portland that services the restaurant trade, the independent food service trade, and that was kind of the customer base at that point in time, and that's really changed over about the last decade. Buying is concentrated, the requirements of doing business have changed considerably, so that business has evolved considerably from, as I remember it, growing up on the farm as a kid where we'd harvest crops all day and we'd deliver well up until late at night and then we'd go repeat it.

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But typical growing up, everybody we knew, they were either Italians, and there was a lot of Japanese truck farmers in the Portland area as well. So I still have a lot of Italian family that farms in the community generationally. Most of the Japanese that have farmed, primarily because they were in Gresham and other areas where urban expansion just took them out, there's very few Japanese farmers left. I can only think of a couple families who were, growing up there, if you were a truck farmer, there was a couple Germans but everyone else was either Italian or Japanese. And we all intermingled and went to picnics together, and it was a lot of fun growing up.

CP: Yeah, that's an interesting cultural connection there. When you weren't working, what were your interests as a boy growing up?

CC: I pretty much started working full time from when I was about twelve years old. But you know, I played high school sports; football, wrestling, baseball, and probably enjoyed baseball, I would say, the most. But once I got my driver's license, I was one of about four kids at Parkrose that actually got out of school at noon every day in the spring to go farm. And so from the time I had my driver's license, my baseball career was pretty well over at that point. And I don't have any regrets at all. But I was labor for the farm and basically did all the tractor work preparing the fields for planting and stuff in the spring. And I did that until I went to college.

CP: Were you involved in 4-H or anything like that?

CC: I was involved in 4-H. We didn't have FFA, which Future Farmers of America and 4-H are predominantly the two, but fortunately enough we did have 4-H, and I really enjoyed that. We did small engine repair, for example, and probably I can still take a lawn mower engine apart and put it back together. I might have a few spare parts, but I can still probably do it. But I grew up learning how to do mechanical things, and a big part of that was just part of being on the farm.

CP: How was school for you?

CC: I enjoyed it. I did well in school and was more curious about certain subjects than others, but I did pretty well in school.

CP: Was there always an expectation of going to college?

CC: There was for me. My older brother did not, or he did for a little bit but decided that wasn't for him, and he immediately went back to the farm. And it wasn't imposed by my parents, but I guess I just always had an expectation that I would go to college.

CP: Okay, well we'll talk about that in a second, but I want to talk to Kim about her upbringing. Where were you born?

Kim Casale: California, Sacramento.

CP: And were you raised there?

KC: No, I was raised all over the west coast. So, six, five and a half years in California, a couple years in Nevada, six years in Montana, three years in Washington, and then I went to high school—well sophomore through senior year—in Oregon. My Dad worked for Xerox, and so we moved a bunch; every time he got a promotion, we moved. And so that's what you kind of did back then, yeah.

CP: Wow. Did you come from an agricultural background at all?

KC: No. Interestingly I did not, but I did major in agriculture in college. But my dad was in FFA in Newport Beach, California, which, talk about a long distance from agriculture. But he at least had an interest in agriculture, he wanted to be a vet, and it kind of always was, I don't know, just kind of was always out there. And actually, my sister also has an Ag degree too, so we kind of were always...I don't know, it was always in the background I guess.

CP: Moving around so much, what was that like for you growing up?

KC: Well, of course when I got into junior high that was devastating that we had to move so much. But skillset wise, you had to learn how to make friends, you had to learn how to pick up and move and adjust, so it makes you flexible, which at the time you don't want to admit that those are skills you learned because of it, but those are some of the skills we learned. And it was fun; I mean I love to travel. I think it's partially because I don't mind being—I like to travel, I like to move around. I do like the concept of staying somewhere for a while, because I felt like we moved a bunch when I was in school. But it was fun. I had a great time and Montana was a blast, because I was in Montana as a grade school kid, and we had tons of freedom and rode horses and nobody cared where we were because it was super safe and super fun. So I had a great childhood, a lot of fun.

CP: Was your dad a manager in Xerox?

[0:10:08]

KC: No, he was a salesperson, he was a sales guy. He was a good sales guy, and that's why they always put him into territories that I'm assuming—I've never really talked to him about it—that either needed help or where they were looking to maximize at a different level. We were in state capitals a lot, that's why we were in Helena, that's why we were in—well, we weren't in Carson City, we were in Reno, but I know he was working in Carson City a bunch—because those were big government contracts, and railroad contracts were very important to Xerox at the time. So anyway, yeah, he was a salesperson. And then my mom's a nurse, so she had flexibility with her career to start at a new hospital or a new physician's practice when we would move.

CP: What sorts of interests did you develop growing up?

KC: Well, I wanted to be a vet, I thought, when I was little. And then that was not what I wanted to do. So I always liked chemistry, biology, because that was a lot of fun. So I liked the sciences as a kid.

CP: And you did well in school?

KC: I did, yeah. I'd say I did well in school.

CP: And always anticipated going to college as well?

KC: Yes. My mom and my dad both, oh we were always going to college. My parents are both the first generation to go school, college, and that was never a question. I have two other siblings; everybody was going to college, and we were going to college right when we got out of high school. There was no gap time as our—that's the new term, the gap, you know, whatever it's called, right? We didn't have that term, but my parents knew of that term for whatever—and so we were always going straight to college, which was great. There was always that expectation.

CP: Yeah. Well, how did you both decide on OSU?

CC: Why don't you go ahead and go first.

KC: I wanted to go to an Ag school, and so I looked at a couple schools, I wouldn't say that seriously, beyond Oregon State. And Oregon State seemed like a really good fit and it was...yeah, so I decided to go to Oregon State. There wasn't anything magical about it, but that's how I ended up here.

CC: I guess for me growing up on a farm, maybe I was arrogant or misinformed, but I thought I knew how to raise vegetables, and so it was the business side of it that interested me a lot more. I had the opportunity to go out of state from a grade standpoint, but economically we didn't. So really my only practical choices were Portland State and get a business degree, or Oregon State and get—at that point in time there was no Ag Business, so Agricultural Economics was the closest you could get to that. And Portland State was just a little too close to home, so I chose to Oregon State to, again, learn kind of the business of agriculture.

CP: What do you two remember about your initial impressions of the university and of the town? Had you had much exposure to OSU and Corvallis before you came here as students?

KC: I had quite a bit. My dad loved Oregon State football, so - I would call it dragging us; he drug us to Oregon, and they were horrible, and it rained. I don't ever remember it ever being nice. And we sat in those end zone seats and you just, oh, it was awful. Anyway, but it was fun, so we came to Corvallis from the time we moved, so my sophomore year in high school. If we didn't have a really good reason not to be going to an Oregon State football game that weekend, we were at an Oregon State football game on the weekend. So we came down quite a bit and went to football games. So that was my exposure, was through football and my parents coming down for the weekend, and the three of us kids coming too.

And it—that's part of the reason too—it was a little bit away from Portland but it was not super far away, and there was familiarity with it. I'd been into the town quite a bit. It seemed like a great town, seemed like a great place to go to school. People seemed happy here, so we just thought it would be a good place to go.

CP: Carl?

CC: And I'd had some familiarity. I had two older sisters that had gone to Oregon State as well. So either through moving them down here or picking them up or being on campus just a little bit, you know, I'd had some familiarity with the campus. I don't know if I ever went to the football games before I came, but like I said, I had two sisters that had gone here before me.

CP: And you both were involved in Greek life, is that correct?

KC: Yes.

CP: Tell me about that experience.

KC: So, a couple things: first of all, when we would come down on the weekends when I was in high school, of course I didn't know anybody in sororities and fraternities, but I could see that there was people who wore letters and I could see having a lot of fun together. And so I - neither of my parents were in a fraternity or sorority when they went to school - so I thought it would be really fun to try to find out how to do this. So I did the research on how you got into a sorority, and went through rush, and ended up being in a house and having - I was a Tri Delt - I had a wonderful time here. You have an immediate bond with people, you get involved in philanthropic social events, you learn about different people, the way they were raised, because you get to be really close to people very quickly when you're in a sorority. And then at Oregon State people lived in the dorm the first year, mandatory, which was also a lot of fun because you get friends across lots of different sororities as well. And at the time it was single gender dorms. I don't know if there was any—is there any?

[0:15:42]

CC: There were no co-ed dorms, no.

KC: Yeah, it was all single gender. So my point on you asking about that, there was this—I kept very, to be good friends with some of my friends that were in other sororities and fraternities, or sororities that I met in the dorm, which is interesting, as well as the friends from the house as well. But overall, from a skillset perspective, being in the sorority you obviously learned to live with people in very close quarters, you learned about leadership, you learned about being able

to pull groups together and different motivations for people, and I think that's really a skill that you learn when you're in a sorority. And Carl can speak about that in a fraternity. Plus there's lots of ability to assume leadership positions or assume positions to support those who are in leadership positions. And so it was a great experience to be able to live in a sorority, and it was also a great experience not to live in a sorority. By the time we were seniors I was definitely ready to have a little more freedom and not be in as close quarters with folks anymore.

CP: Did you live out as a senior?

KC: I did, I lived out as a senior, yeah.

CP: Which dorm were you in?

KC: I was in Callahan, which is one of the traditional girl dorms. Yeah, exactly. So I had a lot of fun when I was here.

CP: And Carl, you were in SAE?

CC: I was in SAE. And the best part of Greek life is that's how I met Kim, because my older sister was a junior and I was a freshman and she was a Tri Delt as well, and she introduced Kim and I to each other.

KC: Yeah, that's how we met each other.

CC: But no, it was a wonderful experience, and both my older sisters were in sororities. So my oldest sister was an AO Pi, Anne, and my next oldest sister, Mary, was a Tri Delt and was a junior, as I said, when we were freshmen. And so I was very familiar with Greek life coming in, and one of my best friends from high school, his older brother was an SAE. And back then, you actually lived in the fraternity during Rush Week, even though you weren't obligated to pledge there, nor were they obligated to take you. And, you know, I considered other fraternities but ended up becoming an SAE. And it was a wonderful experience.

And kind of my observation, or our observation, has been that Greek life kind of ebbs and flows, and it has highs and it has lows. In fact, we were talking just before we came that thirty years ago, when we were in college, if you'd have said "okay, I want you to write down today who are going to be the top five fraternities and sororities in 2015, and who's even not going to be here," we wouldn't have been remotely close to being accurate. Those that you thought that they'd be strong forever for whatever reasons have gone away, and those that you wouldn't have dreamed would have been successful have grown to be quite successful, which is really interesting in and of itself.

But a wonderful experience. I lived in all four years. My class was a bit unique in that that was our trend; we had a very strong bond with each other. To this day, my best friends weren't my high school friends; they were my college roommates. We still stay in touch and we've evolved to the point now where our friend's children went to school together and know each other really well. In fact, kind of the joke was, over at the SAE house, I have no idea why, they have the class pictures going back quite a ways, and the first picture that they had up was my senior class picture. So our oldest daughter who graduated from here had the opportunity to go over to the SAE house and kind of be creeped out that there's dad up on the wall.

But loyalty, duty, strong bonds, I mean those are values that I learned in the fraternity. Leadership, economics, philanthropy. And those are values that hopefully I had before I went in, but they were honed or at least brought more to the forefront then, that I carry forward to this day. There's a lot of what's happened in my life since that I can point back to that experience and say that was very formative.

CP: And you served a tenure as house president, is that correct?

KC: I did. I don't know if it was accidental or what, but I kind of got into different leadership roles within the house, and in every one that I did, I tried to do the best that I could. And when I was president, it might have been the high water mark of membership and live-ins within the house. In fact, I'm glad the fire marshal didn't come by, because I'm pretty sure that would not be permitted today. But again, that was a tremendous learning experience, to go through that.

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CP: Now Kim, you were also involved in MUPC, is that correct?

KC: Yes. So that was another getting involved kind of thing. I don't even remember how I learned about it; I think probably there were bulletins. At the MU there used to be these boards where there would be all these things posted and positions that were open and opportunities to get involved at school. And when I had moved as a teen, I used to always get involved whenever I would move, because that was a great way to meet people. I had no athletic ability; I still did some sports stuff but it was not, yeah, anyway, I was better off just looking into things that were available to get involved in. So when I got here I started looking at those, and when I first got here, there was one that had to do with investing money and how we were going to do part of the, which is now, gosh, what is it called now? It's where Gill—not Gill—where do they work out?

CP: The Sports Performance Center?

KC: Yeah, but it was before that; it was called something else. Anyway, it was like fifty thousand dollars and it was a lot of money, but it didn't say how much the investment was going to be. But it was going to be a student group that would decide how to look at and evaluate the investments for the workout facility. What is the name of it?

CC: It's right next to the MU.

KC: Right next to the MU.

CC: Across from Austin.

CP: Across from the practice field?

CC: The practice fields.

KC: By the practice—the...

CP: Oh yeah, okay. The Intramural Student Legacy Park?

KC: Yeah, but there's a name for the facility right there.

CP: Dixon!

CC: Thank you.

KC: Dixon, thank you! Gosh. Okay, sounds like—

CC: If you would have been, peeled it off right away.

KC: Exactly, exactly. Anyway, for Dixon. So it said that it was to get involved with some decisions for Dixon, and it seemed like a fun one to be involved in, so that's how I started out doing that. And I just stayed involved over the—I don't think I did anything my senior year, but definitely my sophomore to junior year I did definitely, and part of my freshmen year I did things. And it was also, there was some financial acumen that we would get from the—that's why I applied for that one, on how they invest money and how to look at proposals from companies and to be part of a deciding body. So that's why I got involved originally. But it was off a bulletin board that had all the postings of everything that was available.

CP: Were you involved with any other campus organizations?

KC: Greek Life, there was a little bit on the side with Greek Life. Mainly Greek Life and the MUPC I would say, when I was in school. There were no Ag ones. I worked for one of the professors in Resource Economics while he was here, which was really interesting because he was a top resource economics advisor on a lot of different topics. So being in his office a lot there was always a lot of buzz and a lot going on, which was interesting also.

CP: You remember his name?

KC: Yeah, Fred Obermiller.

CP: Oh, okay.

KC: Yeah, he unfortunately passed away, but he was great and it was really fun. I had a great time seeing—the projects he had me work on were also telling, relative to what the policy issues were of the time, relative to land use. And they put more in perspective the classes we had around land use and what really was going on from a government perspective and private perspective, because he would have me basically go through and cut articles out that pertained, that were topical to certain areas that he needed to be working on. And then he would go through all of that and, because that's what was being reported on at the time, it would help him get that view, what with the different views that were being reported on. So it was really interesting.

CP: Did you have any other jobs while you were a student?

KC: Only summer jobs, but not here at school at all, if that's where you were going, no.

CP: And how about you Carl, did you have any involvement with campus organizations?

CC: No, other than Greek Life. And we played intramural sports so I could be a legend in my own mind, but no, that kept me busy. And then I worked, obviously, full time in the summer. And then later, back in the day when there still was a Bird's Eye, I'd work well into Fall term, and I was the night field man. So I'd go to school during the day and then drive up to Woodburn and start at eleven o'clock at night and work till seven o'clock in the morning, and come back and sleep a little bit and go to class. And I'd do that through late October. And you know, thirty years ago, twenty-five hundred dollars a month was a pile of money, so it really helped pay for school.

CP: Yeah, for sure. Well let's talk about academics a little bit. It sounds to me like you both had a pretty good idea of what you wanted to study when you came to the school, is that accurate?

KC: I changed what I was doing.

[0:25:24]

CP: Okay.

CC: Yeah, because I had the business orientation and within Ag at the time there wasn't an Ag Business Management degree, or that's what I would have pursued, because that's what my real interest was. I pursued an Agricultural Economics degree, and ironically that probably benefitted me more throughout my career than if I would have just done an Ag Business degree.

CP: It's a powerful department here at OSU, traditionally.

CC: What's really interesting is it was. I probably didn't have a full appreciation for it at the time, but the faculty that was assembled kind of in the early '80s - in fact, I was just with another economist in the University of Missouri two nights ago, you know, he reflected back upon that and he said that was one of the best ever assembled.

KC: And he knew Fred. He knew Professor Obermiller.

KC: Yeah, he knew most of our major professors that we had back then. And then I think as kind of the economy gets contracted here - and you know, I kind of call it our trip through the wilderness as a university, for a period of time, we've kind of re-ascended now and have kind of reestablished, certainly within Agriculture, I mean it's in the top ten programs in the world now, and there was a period of time when it wasn't. So I didn't appreciate it when it was, and could tell when it wasn't, and it's nice to see it now, to have an appreciation. It's going to become that again.

CP: Yeah, I've interviewed Emery Castle, for this project; I don't think he was there when you were here, was he? I think he was in D.C.

KC: No, was he here?

CC: No, he was not.

KC: Yeah, I didn't think so, but we've met him a number of times.

CP: Were there other professors that made an impact upon you?

CC: Mike Martin, Jim Cornelius and remember our—we were just talking the other day, our rangeland professor Bruce, I can't remember his last name.

KC: We cannot remember his last name. We were trying to remember his last name, but he was a...

CC: He was a rangeland economist.

KC: Yeah, he was a rangeland economist and he was one of the few that said coyotes were good. They were helping with basically what we call the circle of life now. It was really interesting. And the other thing about the professors then; it was a pretty young group of professors. Not that young or old matters, because it doesn't; it's really the ability to engage, the ability to have passion about what you do and the ability to basically bring other people into what you are so involved in. But they were young; they were interesting relative to what they would talk to us about and how they would involve trying to do practical applications. A lot of practical application type of work. That's what I remember about Ag Econ was lots and lots of practical application, which was really interesting.

CP: So you said that you changed majors a few times?

KC: Yeah, I changed from Ag Engineering to Ag Econ, essentially. So I did want to do agriculture but I decided engineering was awful, to be honest, my freshmen year, and then decided that I would come over to Ag Econ, and I thought that was really fun. Not just fun, but I thought it was very interesting, it was applicable to where my interests were. At the time I thought I wanted to go to work for the IMF or World Bank, and that was the type of degree needed with a master's degree to really be able to work in those types of organizations.

CP: It sounds like you both had a lot of classes together at some point.

KC: Kind of more...

CP: You shared professors, anyway.

KC: Yeah, shared professors. But I went to the University of Hawaii for a while on exchange, and so junior year is when you really started to have all the more Ag Econ classes. So he had taken most of them by the time I was back from Hawaii. So I took some of mine in Hawaii, but we did have some classes together.

CC: Some, but I mean it was more than—it wasn't half.

KC: Yeah, it wasn't even, I only remember having like three classes with you maybe.

CP: Was that a year-long program, or a term?

KC: I just went for a term. Yeah, I went for a term, had a great time. I went with some of my friends from the dorm. We all were going on exchange together, so we went to Hawaii and had a great time. And it's a great Ag school. It was a pinnacle Ag school at the time. All the money out of the Pacific Rim was at University of Hawaii, so I had amazing professors at University of Hawaii.

CP: Well I know that you're both big Beaver sports fans now, and I assume that was the case when you were in school as well; can you tell me a bit about bad football and good basketball?

CC: Well I'll let you talk about good basketball and I'll talk about bad football.

KC: [Laughs] Oh yeah. Well, so remember how I said I went to all those football games when I was in high school? Yeah, I don't think I went to a single football game when I was in college. If I did, maybe you and I went to one? Maybe

one. Because I was—it seemed like it was always raining, it was definitely cold and we were going to lose, which doesn't make me a very good fan. I did go to a lot of basketball games, because it was warm, we won, but it was just fun. The atmosphere was really, it was very uplifting when you go to the basketball games, right? It was a lot of fun. So I don't—we maybe just went to a couple basketball games together though as well, right?

[0:30:38]

CC: Yeah.

KC: I only remember one or two. And my dad, Dads Weekend, man I had to get those basketball tickets, I had to ensure we had basketball tickets. Oh, excuse me, Dads Weekend was football, I had to make sure—so I did go to some football games, because my dad came down for every Dads Weekend, so we would have gone to a football game then. And then he used to come down sometime in February always, and we would go to a basketball game as well.

CC: Yes, I...it takes me to a couple stories, but I think I went to every, literally every home game for four years and watched them win twice. Truly. And I can remember them. And same thing with basketball, and of course totally different, you know, I mean it was a miracle if they won a football game back then, and I mean we weren't even competitive. But basketball, it wasn't whether you were going to win, it was by how much. And if you didn't win by twenty it was quite a disappointment. So it was kind of a very different time. And of course, those were the Ralph Miller days. And another thing I was thinking about when I was thinking about both is I used to work for the university for Beaver Club.

KC: Beaver Club, right, that's when you just said that, yeah.

CC: Yeah, when it was Beaver Club. And it was a great experience. So, I mean, I'd literally drive over the state picking up potatoes in Madras for the auction and get paid to do that, which is a lot of fun. And then one time University of Oregon was playing Notre Dame in Eugene, and the Coca-Cola bottler here in town was hosting a bunch of dignitaries down at the game, including at that time the president of Universal Studios, the chief operating officer of Coca-Cola Corporation, an archbishop, I mean it was quite the crew. And so my job was to recruit another driver - and I'm like twenty-one years old - somebody else to drive the second van. And our job is to chauffeur these guys down all the way through Eugene for the weekend and stuff, keep tabs on them, make sure they don't wander off, which is a bit of a challenge at times, and make sure you get them to the game. And so I'll never forget; so one my fraternity brothers, a great friend of mine—and that's the thing, now who do I know who's trustworthy enough to go do this with me, right? So one of my first personnel decisions in my life, you know. I've got lots and lots of friends, but would I trust them driving a van and getting this task done? Because it's on me as well.

But we're getting ready to go to the game, and this is in the days before cellphones and stuff, and we get the call at the hotel that says "yeah, a bunch of these guys want to take salmon home with them." It's Saturday morning and there's no cellphones, so we're literally in a phone booth in a phone book trying to find a fish store that's open on Saturday morning that would fill coolers and pack them for us. But we got it all done and they had their boxes ready to go when they got back on their private jet and left to Corvallis to fly all over the place they were going to go. So it was a fantastic experience.

And, you know, we used to be servers at Ralph Miller's house and stuff like that. And then back in the days of, you know, there still were the press boxes on the other side, we would work with the dignitaries and the alumni there and serve them as well, and it was really a pretty tough task keeping them cheery through those football games, but that was our job. But it was a great experience. It made some money but you also got to see a lot of interesting things as well. It was a ton of fun.

CP: Did you get to know Ralph Miller at all?

CC: Just a little bit, yeah. And he was about as gruff as you would expect. But tremendously successful, and players loved him, and just the success that he had that - I don't know that that style would go over really well today, but back in the day it worked really fine. And you know, there's elements that you see today again that he had then, which was just a tremendous amount of discipline within the system, and a buy-in to the system: "if you do it the way that I say, we will

win." And it wasn't one-on-one with four people watching. It was fun basketball to watch; not just that it was successful, but it was fun. And if you look at what this team accomplished last year with the talent that it had, it shows in the system if people buy in. And hopefully we'll see that with the football team as well.

CP: Yeah, sure. Well we've actually talked to a couple people that were involved in Beaver Club. I'm guessing you know Jim Rudd?

CC: I worked for Jim.

KC: Yeah, Jimmy was his boss.

CP: Yeah. And then Bud Ossey is the other person.

[0:35:05]

CC: I didn't know Bud. But no, I—yeah, Jim had quite an affectionate nickname for myself and my partner. I probably shouldn't say what they are, but no, Jim was my boss. That's who I'd get the call from and go do everything for him and stuff, and Jim's a great guy. We still see him a fair bit.

CP: Were there any other sports on the radar, or was it basically football and basketball?

CC: Really didn't go watch a lot of baseball then.

KC: I would go watch gymnastics.

CC: Yeah.

KC: Yeah, gymnastics. When you were saying Beaver Club, I can remember going and watching, and I don't remember if they were ranked at the time, but they were very good, very, very good at gymnastics, yeah.

CC: And we'd go watch wrestling because I did it in high school and I have a lot of fraternity brothers who wrestled, and I come from a wrestling family. And of course the Beavers have always been good at wrestling, so we'd go watch that as well.

CP: How about broader social life outside of the Greek system? Were there hangouts that you guys had besides the houses?

CC: Well, when I'd get my student loan check I'd go down to Clodfelter's.

KC: That's his joke.

CC: And then Togo's was really a Togo's back in the day. Remember that?

KC: Yeah, we would go to Togo's, but I remember there'd always be a huge line, which was fine. Yeah, we'd go to Togo's, Clodfelter's, Superette. Superette definitely, always, every day. I think the whole time I was here I went to Superette probably every day, because I always lived on that corner. Tri Delt house was here and my live-out house was behind there, so I lived very close to the Tri Delt house, so I went to Superette every single day I was down here. And any place else?

CC: I can verify that other than expanding, the Peacock Tavern is the same today as it was thirty years ago, but no, it's probably...

KC: Yeah, and then you went to Squirrels a little bit, but I never went to Squirrels then.

CC: But generally, particularly living on campus, once you get settled in that way, it's pretty much you walk to it or you bike to it, and that's kind of—

KC: Right, that was, that's pretty much it.

CC: Kind of the center of your life, you know. And it was...

KC: Because even if you had a car down here, it wasn't that - I mean, Albany? Nasty, you know. Didn't go to Eugene.

CC: I'm sure the Albany alumni would like to hear that.

KC: Yeah exactly, sorry. But I mean at the time there was nothing in Albany, right? There was Wah Chang and a couple of restaurants, but I mean there was nothing to go down there for, and then Eugene we'd go down every once in a while to Eugene, but—

CC: But that's what makes this such a special place. I mean it is a campus, you know? It's not a commuter campus—we'll there's a lot of people that commute, but I mean, you know, we live in Saint Paul, Minnesota right now and the University of Minnesota is one of the largest...

KC: Commuter campuses.

CC: ...enrollments in the Big 10, but it's primarily a commuter campus. It's right in downtown Minneapolis, and...

KC: Really wide streets. Four lanes of traffic all around it.

CC: It's a very different experience than what you would see at Oregon State.

KC: Right.

CP: Well we touched on this a bit, but will you tell me the story of how you guys met?

CC: Yeah, we were set up on a, well, on a blind date at a fraternity function or whatever and we met each other there and we realized that we were both Ag majors. I think you were still in Ag Engineering at the time.

KC: Mhmm, yeah.

CC: And we just started seeing each other and dating and going to social stuff together.

KC: Yeah.

CP: What year was this?

CC: Well, fall term of freshman year, or winter term?

KC: I think winter term freshman year. Yeah, winter term freshmen year.

CP: Wow, so early.

KC: Yeah, yeah. And we did pretty much date all through college. Not that spring, but then summer and, yeah, so pretty much all through college. And then we got married a year after college.

CP: A year after college.

KC: Yeah, exactly.

CP: Well, so you finished up at school and then it sounds like the original idea was to go back to the farm, is that correct?

CC: Mhmm. I had an older brother, as I mentioned, that was already back in the farming operation and who was doing really well at the time, but it was sized for two and it wasn't large enough to support three over the long term. And in the early '80s it was pretty much an agricultural crisis, not only in this state but US-wide, and interest rates were eighteen

percent, and it just wasn't the time to try to expand an operation to support somebody else. So Dad said "hey, love you, you're welcome to stay, but we're not going to expand."

And so after about a year of figuring that out, and including that I was either an overpriced tractor driver or an underpriced manager, I decided I wanted to stay in agriculture but I had a college degree and that afforded different opportunities to me than it did to my brother. So I ended up having the opportunity to work for Monsanto Company, which was obviously in the agricultural space. So I could stay involved in agriculture, which I wanted to, which upon reflection, I was one of the few people that did, because agriculture was just really going through rough times then as well.

[0:40:04]

And that proved to be an opportunity because even though Monsanto - I mean, back in the day it was almost like the military; they'd hire two or three hundred sales representatives a year, the next year there'd be about a hundred and fifty of you left, and it wasn't so much development as much as it was attrition. Everybody got really good training back in those days, and Kim will talk about her experiences. And you know, I don't know if the training is as focused and developed as it is today, but a lot of the tools that I learned when I was twenty-three years old I still use every day today. And so I just don't know if there's that emphasis on training new employees and providing them skills, really simple ones; Socratic selling skills, you know, don't tell people, ask people. And I don't care if you're selling somebody something or you're having a basic human interaction, those are pretty decent skills to be able to possess. But anyway, that's what caused me to leave the farm after a year and basically begin to work for Monsanto.

CP: And this was in Walla Walla, is that correct?

CC: Well they had a training posting in Connell, Washington, and we were slated to go to Moses Lake, Washington. And then the person that was slated to go to Walla Walla didn't make it through training, because it was a very rigorous process, and there'd be pretty high attrition through training, and then after a year there'd be another pretty high attrition, because expectations were pretty high; they had a lot invested in you. But anyway, Walla Walla came up, and again, don't put this on the Chamber of Commerce editorial, but we went up to Moses Lake, where we were supposed to go, and Kim said "I don't know what Walla Walla looks like, but I want to move there."

KC: Yeah, "I'm not moving here."

CC: After looking at Moses Lake.

KC: Yeah.

CC: And it's changed a lot since.

KC: I was trying to get closer to cities, because I lived in kind of small towns as we'd move. Helena wasn't tiny, but it wasn't big. Then we moved to Long Beach, Washington, then we moved to Lake Oswego, Portland, Oregon. I'm like, "I like that kind of Portland, Oregon feel" versus—and we were getting away from that if we would have moved to that area.

CC: But Walla Walla was quite a step up from Moses Lake. Walla Walla in 1984 was not what Walla Walla is today. I mean agriculture was going through, I would say, dangerously close to a depression. If you walked down the streets of downtown Walla Walla at the time...

KC: It was shuttered.

CC: A third of it was probably shuttered.

KC: At least a third of it was shuttered, yeah.

CC: I mean, local businesses couldn't sustain. The people there were just wonderful to us as outsiders, and we bought our first house, I have very, very fond memories of it. But it was, the very first wine grapes were being planted there, and I can remember them, right as we were leaving in 1987. They might have been there in '84, '85, just getting started, but right as the wine industry that is there today was starting, that's right when we were there.

CP: [To Kim] Where were you at in terms of your working career at this point?

KC: So I did graduate with an Ag Econ degree and looked at the same types of companies that Carl looked at, but I had no experience in the Ag space at all. So I ended up talking to my mom, and my mom's a nurse, as I mentioned, and she said "well, you know, with all the science you should apply to pharmaceutical companies," which was a great idea because I did have a lot of science. And so I went to work for a pharmaceutical company in Portland when Carl was working on the farm. That company was Bristol-Myers, and I was on the consumer products side, which is non-prescription drugs. And then when we moved to eastern Washington I could not transfer because back then companies didn't transfer you. Plus we were moving in the middle of nowhere.

So anyway, I worked for Bristol-Myers, and then when we moved to Walla Walla I was hired by Squibb, which is a pharmaceutical company on the Rx side, the prescription side, and I worked for Squibb while we lived in Walla Walla. And the great news is that Squibb was willing to transfer me, essentially, when we found out we could move to St. Louis when Carl got a promotion into St. Louis, because we were both at the point of promotions. My promotion was to L.A. and his promotion was to St. Louis, and we needed to just decide which one to go with, and at the time it made more sense to go to St. Louis for sure.

CC: And I honestly don't know if it's still that way today, but back then both companies were really accommodating to dual career couples.

KC: They were trying to be.

CC: They were trying to be. And there was times where they would accommodate, but it wasn't easy. So there was a period of time where I had to commute to California and back for a couple of years. And, I mean, the company did all that but you still had the personal, you know, I wouldn't wish it on my worst enemy. You're gone all week from your family, so it's not easy on anybody, but it was a way to maintain two dual careers at the same time. And when opportunities would come up, we'd kind of assess back and forth, you know, do we go here or do we go there? But we were able to maintain dual careers in two different industries for well over twenty years.

[0:45:30]

KC: Yeah, almost twenty-five years, where we'd say, "okay, we need to move to California, we need to move to Missouri." Basically you just have to figure out how to make it, try to figure out how to make it work, which included commuting, one of us commuting or—

CC: Yeah, and we both turned down opportunities where it just wasn't going to work out for the other spouse, and we said "hey, appreciate it, but at this point in time it just doesn't make sense for us to do that."

KC: Yeah, and I commuted to New Jersey for years. I lived in St. Louis but worked on the east coast and commuted to New Jersey, actually till 9/11, and then it became extremely difficult to maintain that, after that point.

CP: And of course, trying to organize family life on top of everything else.

KC: Yeah, we had it down pretty well but it was—when the kids were, when they're little you don't realize, you're thinking "oh, when they're older it's going to be so much easier." But then they can talk and they're like "I'm not doing this," right? When they're little it's like we just had our "we're going to go do this, we're going to do this," we had everything all organized, so we'd just kind of—

CC: Once they get older they need to go places too.

KC: Yeah exactly, way more places than when they were really little. Because at that point, by 9/11, we had three kids. So interesting now, but a lot of fun.

CP: Well I'm interested in trying to trace advancement in careers and the building of skill sets and the building of leadership qualities, and I think that this is something that would be valuable for students these days to get a sense of. I

mean, you graduate with a degree from OSU and you want to try to make your way in the world, what were some of the factors that helped you both advance in your careers?

KC: So I would say, specifically tying this back to Oregon State, that meant a couple different things. But one I do want to start out with because it's very timely right now; we have a niece that's here at this point and she is taking business writing right now and she was going through, last weekend, the different classes she's taking. And both Carl and I were like "business writing? That's a great class!" And my sister graduated from Oregon State also and my sister was there too and we were talking about how that class basically just set us up to be outstanding, to take whatever you had and to raise it to a new level, just one business writing class. And then from there you would figure out what else you needed to do to be an effective communicator, from a written perspective.

And on that note, Carl and I both still have our business writing books. It's an orange book, and I can't tell you how many times I've flipped through that book and been sitting trying to write a memo; I'm like, "I'm just going to see what that book said" about this difficult topic, you know what I mean? So that's very funny that a book, that something like that would be, you would be going back to that over and over again that many times. So the business writing class I would throw out there.

On that note, to take that to the next level. So it said you need to be able to communicate; it said you need to be able to communicate via paper; it said you needed to be able to help others understand information that you may write down. So it's not just that class, but I think Oregon State at the time - and in the Ag Econ department - there was a lot of emphasis on being able to take information and make it so somebody else could use it, or make it so it was actionable - use it as a well. They may be making decisions from it, not necessarily taking an action off of it.

I would say that was the underlying current that I got out of our Ag Econ classes that I could apply in my science classes in a pharmaceutical application, essentially. And I was pretty much on the sales side all of my career, the majority of my career; sales management. Actually, mainly management. And so the leadership and skillset was this whole communication; the importance of communication.

And then from an Ag Econ perspective, the forces that play into why what's happening is happening, which was kind of unique because many people in the pharmaceutical industry, especially the time I came in, were pure science. They didn't have a lot of business. There was some, but that was a little bit later when we got quite a few more individuals who had gone on to advanced business degrees, into the pharmaceutical industry.

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So that was kind of unique because I looked more at the business side of it, as well as the science side. And so from a teaching perspective, I would say I would point to a couple things: communication, and even though it was Ag Econ and we didn't take communication courses, that was foremost throughout it. Secondly would be the ability to—or the econ background that said "hey, look at different forces at play here," essentially. And then on the science side, I mean I just took, you know, I never went over a 300-level science course, but that background was outstanding for setting me up to be able to go many different directions in understanding drug chemistry, interactions inside of the body, etc.

And then you said skillsets from a, you know, like getting into management. Basically communication and always be learning, always be out there trying to learn, essentially is the other thing that I think we got out of the Ag Econ department. Because there never was a right answer in Econ. There's never a right answer. There's a lot of different answers, but—would you agree that that's part of we? Or is that not what you heard, when we were here?

CC: You know, I think the intellectual curiosity piece, why stuff happens, was probably the greatest.

KC: Right, yeah, that's a great point.

CP: How about you Carl? As you're moving through your career and progressing up the ranks, what was helping you propel?

CC: Yeah, and actually it's interesting because I've never really considered or contemplated it in this context, but if you think about growing up, what I learned growing up on a vegetable farm is a great sense of urgency. Stuff's got to get done.

If you don't get it done on time, you can't fix it. So time. You know, you can always find money, you can find people, but you can't find time. If you miss that - and we learned that in our, we live that in our farming operation today - you've got to get stuff done on time. And so that sense of urgency I've carried forward in everything that I do.

And then, if you take that as kind of a building block and you go to Greek life where I learned leadership, loyalty, you combine those two and that kind of set the foundation. And then academically, it's funny, we talk about it all the time: the yellow textbook, Technical Writing, BA 131, to this day. And I find myself, I've had press releases that have been written by agencies; I find myself editing and sending it back and saying "fix this."

KC: Because it—"was that your intent?"

CC: Yeah.

KC: That was one of the things you always learned; was this really your intent? Yeah.

CC: Exactly. Now this doesn't read right, you know. But anyway, rewrite. And I got an A in the class too, you know.

But just the skill to be able to effectively and concisely communicate your thoughts to others is incredibly important. Because it's not what we say, it's what's heard, right? That's what matters at the end of the day. But from an Ag Econ standpoint—and I literally had this conversation, as I said, two nights ago with an economic icon from the University of Missouri, Dr. Mike Cook, who was good friends with Dr. Mike Martin, who was one of our professors. And Dr. Martin emailed me about two weeks ago - and I haven't talked to him in thirty years - and said "hey, saw what you're doing, congratulations." And I sent him back, I said "well here's what really mattered to me, upon reflection of being here at Oregon State." What Ag Econ taught us, as you just heard Kim say, was just a sense of intellectual curiosity: why does stuff happen?

And I'll give a couple of examples of it. So one, I've had the opportunity to do a fair amount of international business. And as Americans, when we go abroad, we look at people doing things the way we wouldn't, you know, initial reaction: "boy is this stupid," you know, "why don't they just do it like we do?" Well, you can do that and you won't be successful, or you can take a step back and say "you know what? Somebody thought this was a good idea. Somebody did it this way for a reason." Not in the way that I would have done it, but when you understand why they did what they did, then all the sudden you have the insight to be successful in that country, that culture, that market. And that was a direct skill that Ag Econ taught me.

Another example—and I just had to give a talk to some academic community, again I think it was a couple nights ago—it basically is, what does industry need from the academic community in agriculture in the future? And I said "let me just start with the conversation I had with a bunch of cooperative managers a couple weeks ago." And just through casual conversation one of them said "you know, there's going to be a twenty-five percent reduction in the number of farmers in the United States in the next five years." And basically they were, "yeah, sounds about right." And I said "time out; do you understand what you just said? Let's just think through the implications of it." And that's where I took this community through - and I wrote down about twenty questions in about two minutes to start with - "okay, who's going to tell me whether this is true or not? Somebody needs to. And then when they do, what are the implications of something as far-reaching as this?"

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But it's the intellectual curiosity to understand why stuff happens and what's the second and third order consequences of that. Because then, once you understand that, you can plan for it and you can create the future that you want to have happen; not just the one that's going to happen if you don't show foresight. And that was all Ag Econ. And then the other one, to this day, is understanding what a microeconomic cost curve looks like. If you understand where the bottom of that curve is, it explains all the agricultural economic activity that you'll ever see. And then in business principles, cash flow. Those are kind of the big ones.

And just the cash flow, I was sitting around with a bunch of my great Italian uncles—well this is several years ago now—all very, very successful farmers, one of which I think had a high school education, and none had a college degree. And I had one of my great uncles, I'll never forget this to this day, and this was after I graduated from college, he was talking

about during the wintertime he'd go down to the local market and there may only be three crates of cabbage that he'd take down, and everybody thought he was crazy or stupid. Why would you go all the way downtown with three crates of cabbage? He said "well, because every crate of cabbage I sell is a dollar I don't have to take out of the bank." And I says, here's a guy who very simply just described the principles of cash flow without even knowing that there's a technical term for that intuitive business sense. So it was really cool to see that. But those basic principles have—I mean I literally, to this day, use them every day.

KC: I think that's a great point. I think work ethic is something that is also you half get at home. My mom's dad worked very hard, was very successful, and lived by the same kind of terms, the way he would look at how he managed his businesses that he had. And he graduated from eighth grade—I think eighth grade. My grandma graduated from high school. As I said, I was first—my sister, myself and my brother are the first generation after my mom and dad going to college.

And on the work ethic side, I think that what we saw at Oregon State when we were here too; most everybody who was here wanted to go and do something in the world, right? Because that's kind of, we were the '70s kids and we had siblings or knew people who were from the '60s kind of thing. But this whole undercurrent of work ethic that was there, that was in our families, also is a part of the success of us. I would just say that, and we're trying to instill that in our own children, and others that we touch, because work ethic is important also. So, and I believe that came from Oregon State. I saw that in our professors. Would you agree?

CC: You know, I didn't know this was going to be a therapy session of self-discovery, but Kim makes an excellent point to the - there was a very strong sense of expectation here; of contribution.

KC: There was, yeah.

CC: To the point where - I'm thinking about this now - if somebody had a sense of entitlement, it was well known. It certainly wasn't condoned within the peer group and often made fun of. That's not what the culture here was. I wouldn't say the word blue collar.

KC: No, yeah...

CC: Very strong work ethic.

KC: Or white collar, yeah.

CC: Very strong work ethic. You know, people are people. Just suck it up and get it done. No big deal. But definitely not a sense of entitlement. And you see it in the culture here to this day; very strong sense of humility, accomplishment, contribution. But those are all the very strong roots of just a really good work and social ethic, you know?

CP: Yeah. All part of the Land Grant in culture one way or another.

KC: That's a great way to put it. But pull it back down to the Land Grant and what the land grants are here for, right? Yeah.

CP: Well, you spent twenty-six years at Monsanto. You made a change in 2011 to CHS Incorporated. How did that come about?

CC: So our oldest daughter graduated a year ago from here as well, and just a couple thoughts on that. So before she came - and this was the last place on the planet we expected her to wind up, and we certainly did not push her to Oregon State - but someone told me his daughter had gotten into the honors college at Rutgers, and he said, "you know, the great thing about a Land Grant," he said, "a Land Grant honors college is the best value in private education you can get." And he said "the reason why is it's a small college within a big university, and you can make a big university small, but you can't make a small college big." And just the same ethic, the Land Grant experience was just phenomenal for our daughter, and fast forward now she's going to law school, Wake Forest. And so she was having - was it lunch with all of her friends from private school and stuff?

[1:00:26]

KC: Mm-hm.

CC: And they were all kind of laughing that "you went to a Land Grant." And I said, "yeah, and you were still sitting there having lunch with them, weren't you?"

KC: Right, right.

CC: You know? Which is really cool. So I'm sorry, but that last train of thought made me go on that digression. So I'm sorry, you were talking about twenty-six years and a transition?

CP: The transition to CHS.

CC: Yeah, so I think part of it was, well, I like to learn, I like to grow, and at Monsanto I must have missed a meeting somewhere along the way because I started out as a salesman with an ag econ background and finished up as a chief financial officer of a Fortune 500 company. And I did get an MBA along the way, and Monsanto was very gracious to me to pay for that and put me through it.

But two things: number one, the CEO at the time was and still is three years older than I am. And so I was kind of thinking about the analogy of the farm; by the time it was mine I was going to be my dad. And all those times I heard "that's a really good idea but we're not going to do it," I was terrified I'd be saying the same thing. And so you know, I had aspirations to do some other things.

But more importantly, and I knew CHS really, really well, and it gets to the intellectual curiosity, because the company I came from - and still a great company, tons of friends there - was really, really, really good at a few things, and I've been doing those few things for quite a while. CHS, because of our ownership structure being a cooperative and how we repatriate our earnings back to our owners, we have fourteen different business units within the company; it's about four times larger than Monsanto, but we own petroleum refineries, pipelines, we make Dean's Dips, Marie's Salad Dressings, we have soybean crush plants, we own ethanol plants, we're the largest grain exporter out of the Pacific Northwest to Asia, we're the third or fourth largest retailer of agriculture inputs to the United States.

So just the intellectual diversity that I get to pursue on a daily basis and ask those questions of why is this happening? Why is Subway stuck on a five dollar foot long and can't move off of it to the topic of today? What's the impact to us with the Keystone Pipeline not going through? Those two very disparate questions are all within the purview of what I get to think about. And so in many cases, our company is kind of a microcosm of the economy in the United States, and it's just really fascinating to be able to work across it on a daily basis.

And the other thing is connection to our owners. I mean, we are owned by farmers and ranchers, and I've traded off owners on Wall Street for Main Street. And we have a feed mill in Tillamook, Oregon, we have a retail facility in Madras, we have a feed mill in Hermiston. We're very connected into the communities where we live and work, and in the last five years we've sent two and a half billion dollars of dividends back to our owners in rural America. And in many cases, the co-op in rural America is the only place you're going to get a gallon of milk at ten o'clock at night because it *is* the community.

And so my argument is - and I don't think it was intended for that purpose, and Kim and I were talking about on the way down, the success the cooperative system has had in the United States - but I'll guarantee the USDA's rural development budget has not been two and a half billion dollars over the last five years. And that's just my company. There's lots of other co-ops. And so just the stability that they provide to rural America, the economic fabric, being a part of that. Lots of ways to make a living, but having that connection and sense of purpose is something I really have enjoyed as well.

CP: What is a typical day life for you?

CC: There is no typical day. It just depends, whether I'm traveling abroad or domestic. I'm just trying to think of yesterday - well, yesterday was a board meeting, so that wasn't a very good typical day. The board meets about eight times a year for two to three days at a time, but it will have everything from strategy discussion with the board to

significant decisions that we need to make, to financial performance reviews within the company. I've organized the business that I've got six direct reports and I'd rather have six than twelve. It allows me to spend quality time – they may not think so – more with each of them and answer their questions. [1:04:53]

We do try to have a collaborative leadership structure within the company as well. All the big decisions - whether you're the chief information officer, the general counsel, or a chief operating officer in one of our divisions – everyone's got an equal vote. If we're going to pursue a major project – we just received board approval a few months ago for a \$2.8 billion fertilizer investment, which will be great for our owners long-term. But everybody had a vote because everybody is going to own the outcome.

But a lot of one-on-one time. I had to speak at a reception a couple of nights ago, I do quite a bit of that on behalf of the company. I'm heading from here to Spokane on Sunday to present at a conference on Monday, after meeting with our insurance group Sunday night for dinner and having a business meeting with some co-ops Sunday afternoon. I spend a lot of time out in the country because that's where the business gets done.

A great example of that is those managers that we brought out – and we're in the process right now of reshaping what agronomy product fertilizer, crop protection products, seed, looks like in this country, and I believe the first opportunity in the last fifty years to do that. And we said, "look, we can start from scratch. We're not encumbered by anything. What would you go do?" And so we were having a conversation and that's where this notion of, "well, you know there's going to be a twenty-five percent contraction in producers," and just being able to hear that real time from everybody from Texas to North Dakota, it was Nebraska to the west and Indiana to the east, you say, "ok, this is profound." And I just really enjoy the intellectual challenge that goes along with it.

And also, I'm fifty-four years old, so I'm at the point now where I'm thinking through what the next generation of leadership looks like. What do you want to teach them before you go? That's becoming increasingly important to me. Its one thing to build it, but somebody else has to run it, stabilize it, and then put their own imprint and build it again. So getting people prepared to do that. The reason why I came – I'm the first outsider in the eighty year history of the company that was ever hired, and the reason why is they didn't get anybody ready. And they realized that they'd grown so big so fast, they didn't have anybody internally that had the capacity and international experience. Kim and I were having – I tell you what we're talking about when we're driving the pick-up down the freeway – which matters more: intelligence or experience?

KC: Right, we literally were having this conversation on the way down here. And using examples from people we've worked with.

CC: Exactly. And then we got off on an interesting derivative, and actually now I want to go study it. Harmonizing – you know, what's the old saying, women are from Venus, men are from Mars – we realized we were harmonizing on what the definition of experience was.

KC: Yeah, how are frame of references were as we were discussing it.

CC: So we were not confusing, we were intermixing tenure with experience.

KC: Well he was, I wasn't. [laughs]

CC: If she would just agree with me this would be so much easier. [laughs] And again, that's the Socratic skills we were both well-trained with; we can know when we're using psychology on each other, after thirty-plus years of marriage, thirty-two now, I think. But that's really interesting. You can, through the grace of time, have repetition. Or you can have learning. So I do believe that learning can – and I know lots of smart people that haven't had the breadth of experience and are really good functionally that have a very narrow set of skills, and they will never successfully compete with those that have had the breadth of experience. But to the point that Kim made, the opportunity to do lots of things but learn from them.

KC: Right, and that's what we were discussing in the car.

CC: And that's, if you circle back to Oregon State, that's another thing that I think we both learned here and we've imparted on our children. We travel a lot as a family and we've always traveled a lot for business. Whether it was Kim going to a meeting where she would take some of the kids when they were young, or I've had international travel and we've been fortunate to bring the family. That's been a huge part of our family's learning experience and culture experience – experiencing other cultures.

We had a trip to Asia a couple years ago, because I had business in Tokyo, and the family met me in Tokyo. But then we did Japan and Hong Kong as a family on the same trip. It wasn't intentional but ok, now, debriefing as a family, I'm sure much to the happiness and the thrill of the children. But ok, "who liked Tokyo? Who liked Japan better than Hong Kong and vice versa?" And those of our children that love order, you can guess which one that was. And those that favor the elixir of chaos, you can imagine how that one went. So just having your children experience that in a relatively short period of time and then having to reflect on that experience, it's just a great part of the continuous intellectual curiosity that goes along with what we've been fortunate to do. And that would translate, I would say, into our philanthropic investments as well.

KC: I would agree.

CP: Well, I'm fascinated by the blueberry farm and I'm wanting to get the story of how that came about and how it's managed.

[1:09:59]

CC: What I say is, when you come from a farm you spend the rest of your life doing one of two things. You're either figuring out how to get further away from it or how to get back to it. Since my passion was farming and that's what I wanted to be, it's how do you reconnect and get back. And so seventeen years ago, believe it or not, we bought our first small farm, which was about a mile away from the family farm. And then, this is going to sound terrible, but later we wanted to expand. And at that point in time there was nothing available locally around us to expand. I think part of the reason was there was a large anticipation by land owners that that area was going to be re-zoned into the urban boundary and be industrial. And the other was, was it Prop 31 that was going to be the land revision that anything that went back that was re-zone from LCDC, you'd be able to subdivide. So that created lack of land movement but then also grossly inflated prices, and so there was nothing for sale.

So I happened to be talking to my dad one day and he said, "where are you?" And I won't use the farmer's name but there was an affectionate nickname for this farmer, and I was out looking at his farm in Mount Angel. And he said, "well, why are you looking at it?" And I said, "well, because we want to expand and we're land-locked and we can't find anything. Nobody will even talk to us." And he said, "well, come talk to me." So we talked about generational transition within the family, and I've got two brothers, so we all went out to dinner together and I had a proposal that I gave to my dad – very transparent with my brothers – and my oldest brother was going to transition out at some point in time to retirement, he's semi-retired now, still farms on the side. And my younger brother didn't want to come back into the operation, so once my dad knew, from a succession standpoint, kind of what it was going to look like, we transitioned the farm from my dad to Kim and I. And so then we owned it.

But we had already planted blueberries on the first one, and the reason why is we need something we could manage from a couple thousand miles away. And the beauty of blueberries was that it was an up-and-coming crop at the time and you don't plant it every year. And what we've done in the operation is we've substituted capital and technology for labor – not to displace labor, but it's just a lot easier to manage that way. And when we did it, the price of blueberries was just skyrocketing. And having our economics degrees, the cure for high prices is high prices, and this will fix itself, and here's where it's going to wind up, so here's what we're managing for, if it's five years, ten years. And we're pretty much there. There's going to be a lot of people exiting this business here; if you don't have scale, marginal cost is greater than price right now.

But anyway, we did that and we've kind of expanded, and we've had the opportunity through generational change. When the nursery industry went down in '08, land values precipitously declined and a lot of nurseries got in a lot of trouble. As I say, unfortunately, unlike fine wine, nursery stock does not get more valuable with age. And so we bought a small nursery that touched us, and then later a large nursery that touched us, and our rule of land ownership is, we like things that touch

us and we won't put equipment on a truck to move it to a farm that we own. That's kind of our rules. Because it's just not practical. So all of our land ownership is consolidating really closely, just south of Wilsonville. And it's beautiful. It's twenty minutes from the airport, twenty-five, so we drove from Lake Oswego down – where Kim's mom lives – but if we're staying there, we can be on the farm in fifteen minutes. And my mom lives on one of the farms, so if we stay there, we're there. So it's really nice. You can be in that urban setting and you can also see the stars away from the city lights at night. So it's just a wonderful area.

But we've expanded the blueberry operation, we've gotten into rhubarb a little bit as well. We still have a fair bit of open ground and we're debating what we want to do with that. We rent it to a neighbor as well. So it's a family legacy and I enjoy it. It's a nice diversion for us when I'm there. We're proud that everything that we buy looks better after than it did before, so there's a sense of pride that goes along with that, at least for us anyway. It puts a lot of burden on Kim because it's not a hobby, it's large and decisions matter. So Kim spends a lot of operational time at the farm. I mean, in season, you're out there how often, would you say?

KC: At least every week or every other. Weekly periods, essentially, because we're harvesting and there's tons going on.

CP: Can you talk about how technology is used to manage the farm from 2,000 miles away?

[1:14:57]

KC: I would love to say that we're maximizing it, but essentially the opportunities and what we've invested in – or what we're trying to invest it – is we've taken, let's use fertilizer for an example. Fertilizer, you used to drag a tractor, you would drag a piece of equipment with the tractor, you would pull the fertilizer out of a container, put it in this piece of equipment and then put it in the drip system, ok? So last year we invested in a tool that you leave all the fertilizer in one place, so from an environmental perspective and many other reasons, it's all in one place. You take an injector and the injector puts it into the whole drip system. That injector system has the ability to tell us, in real time, everything that it's doing. That injector system has the ability to be turned on from an iPhone. Is it being done like that? No. But we've gone from moving the tractor and the piece of equipment, and the scary big shuttle of fertilizer, and doing it like this, to having that ability of turning it on with an iPhone. And we are to the point there of using it to put the fertilizer in and leave it in one place.

So from a technology perspective, we can bring up our farm and look at all of our weather stations. Look at all of our soil moisture in many different ways – we can sort it in many different ways. So we have that deployed on our farms, and all the fields have that, except two. Our irrigation system is meant to be turned on via an iPad or an iPhone, and it was done a little bit this year. We are drip with overhead for backup, but all of the drip can be turned on from an iPhone or an iPad. I was curious about how we were watering in July and I was sitting in Minnesota and I brought all of our watering up. I brought up everything that had been applied, by field. I sorted it, I pulled it over to an Excel file, I took a look at it, I asked some questions from it. I was able to see all the settings that the guys have been using, at any point in time I can look at any of the settings, and if the weather is ninety-five degrees and the setting is the same as when the weather was sixty degrees, we can have a discussion about why we haven't changed the settings on it.

So our irrigation system is set up to be able to do that. Any of us can be anywhere and look it up. And we have all the soil moisture probes in, we've added the fertilizer system, so our objectives are to have the least amount of footprint we can and accomplish the most, essentially. And from a technology perspective, we've now purchased and deployed it to get it used. So that's that next big opportunity and gap, because I see this as all upside for folks, and the folks working it see it as a bit of a threat. And that was a gap that I did not identify on the front end, so that's an opportunity that we've got relative to the folks and the team that's working on the farm, to deploy that technology and see it as something to free them up to do something else, including just looking around and seeing what needs to be done. So that whole definition of productivity and utility.

So I don't know if I went where you were looking to go, but at the end of the day we have invested a significant amount of money and I've done a lot of research on ways to move our farm to the use of all this amazing technology that's out there that is deployed – how much do you think it's deployed in agriculture right now? What percent of agriculture uses the technology to its full extent?

CC: Well, and you just put the very important qualifier on the back. If you asked the percentage of American farms today, "do you utilize precision agriculture?" You'd probably have eighty percent say yes, would be my guess. But their definition of what that is, that might be looking at a map that was generated. But what you do with it, they're not utilizing it the way that it should be. So fully utilized, if eighty percent would say that they are, the reality is that those who are maximizing the use of it, it's not ten today. It's far less than ten.

KC: So there's this huge opportunity and that needs to be integrated – I would say "need" is the correct word – that needs to be integrated into the college and the technical college side of it, so folks understand just that it's out there. Because we have this young generation that's not afraid of technology, then we have the folks who are actually working in agriculture who may or may not be a part of that. And then we have all this technology that was developed and what's written to go with it, to get this group that's in agriculture to be able to use it, there's gaps there right now. So I see it as a huge opportunity. The technology will continue to evolve and is being applied from other disciplines, i.e., aerospace, etc. But there's a huge opportunity from a training perspective, to get it used.

[1:20:24]

But we could look up almost everything except exactly what's coming off the harvest, we can't look that up right now. So there's some opportunities to deploy some other technology, but I'm kind of, at this juncture, at a technology hold. Let's get applied what we have, let's get it used, let's get it tested. Is it really right for a blueberry operation and a rhubarb operation? Because the technology that we actually put in at the rhubarb operation is way more advanced than the blueberry operation. But I will say, I did a test with only one of the blueberry farms and then the rhubarb farm, and the guys, they can't even use the blueberry one. And it's not them, it's us; the training that goes with it. So this rhubarb one that is a very complicated system, it's on hold right now and we're just implementing this. I took the blueberry system and put it on another blueberry farm, we're just trying to get it up and running at this point.

So I don't know if I digressed with where you wanted to go with it, but at the end of the day, from a management perspective, we've deployed technology. As an armchair quarterback, I can look at the technology and what comes out of it, the reporting. And we have this opportunity to get it used and applied, and I think it will result in some tremendous efficiencies in getting costs out, lower carbon footprint, to be very honest with you. Big time lower carbon footprint. Use of petrochemicals, etc. So that's some of the objectives that we're looking at with our blueberry operation. And maximizing production as well.

CP: A very different world from the one that Carl's grandfather knew.

KC: Yeah, oh absolutely.

CC: Well, even today, because what we find within our company – and I honestly can't tell you how many agronomists that we employ, it's somewhere between 500 and 1,000 would be my guess – and we find, when it gets to precision agriculture, we get much further faster by taking technological people and bringing them in as precision agricultural agronomists, and then teaching them agronomy. Rather than taking individuals that have agronomy degrees and trying to teach them the technological aspects. And that's the evolution.

In fact, I was just thinking that we need to talk to the school about a precision ag degree, and what that would look like. If we can figure that part out, you talk about a career for the future that people can write their ticket for. That's going to be the evolution of agriculture. And the deployment of technology, what we're doing on a very small scale on our farm, it's the future. I can't tell you how many cooperatives that I know that are closing down old country grain elevators and automating them, because they can't find anybody to run them. There's nobody to do it.

KC: There's nobody that has the interest, there's nobody that has the skillset. Interest in the number one thing, too. Very much so, the interest is the number one thing.

CC: And a huge demographic shift in agriculture. I was just talking about it the other night when I was giving a talk - the average age, according to the USDA, of the American farmer today is fifty-eight years old. That's the bad news. The good news is I'm only fifty-four, so I'm still young. [laughs] But when you look at those that service the average American farmer, they're older than they American farmer. So the generational change that's coming, and the gap between how a

sixty-five or seventy year old embraces technology – and I'm not saying I'm in the middle of it, I have an appreciation for it – but the shift not only for me to the next generation but from the generation ahead of us to that next generation, in many cases that's the gap that exists and is going to need to be closed. And to Kim's point, the producers coming back to the farm today, most of the time they don't live on the farm. They have an expectation of quality of life, they have an expectation of how they want to be communicated with, they want to check grain prices from their iPhone in the combine that drives itself today, which it does. And it's just a very different world than the one that we grew up in. But just totally driven by efficiency.

And that's part of the talk I just gave the other day, I called it "Cooperative 3.0." 1.0 is when our grandfathers founded them, in and around the Depression. 2.0 is when they consolidated dramatically following the first consolidation of American producers. And 3.0 is the exact technological wave that we're talking about, which will transform agriculture in this country in ways that we can't contemplate.

[1:24:53]

KC: Right, we don't know right now, but need to be looking for and looking at. And the good news about the state of Oregon, I will say, there is such an emphasis on lower use of electricity, less water. Well, water hasn't been as big of a focus but's becoming a focus. And the reason I say that is my dad lives in California and he still works and he's peripherally on the edge of agriculture. But he always talks about agriculture and what he sees and what he observes. And a state like California, that is in a water crisis, that should have seen it coming – I mean, [to Carl] you saw it thirty years ago, when we lived in California. Oregon is great at always trying to ask you, "are you doing all the things you could be doing from a lower footprint, or making less impact?"

And so that also has helped me be able to think through how we can be more efficient, because there are some reward systems in it and ideas out there. Like an integrated engagement by the utilities, the Extension - we don't use Extension that much but the few Extension ones I've gone to, it's very integrated. And who else? Just the general School of Ag, reading the School of Ag publications. I do read the book they still send out, the pamphlet, every quarter or maybe every six months now. But just some of the ideas out there, which are great, I mark them and follow up on them.

CP: Well that kind of dovetails into the last big topic that I want try to cover, and that's continuing connection with OSU. And in particular, a very strong connection, it sounds like, with the College of Agriculture. Is that correct?

CC: Yeah. It started with and still is with the College of Agriculture, but both Kim and I have spent quite a bit of time on the university level as well, particularly around the recent capital campaign.

CP: You want to talk about that a little bit?

CC: Sure. So we originally got involved with the College of Ag; they reached out, I don't know, fifteen years ago now, probably?

KC: Probably, yeah.

CC: And always had an interest in the university. And my personal connection is I'm the first male in my family to have a college degree, and I just look back at how different my life would be had that not happened. So I've been very appreciative of the degree that I've had here at Oregon State, so to the extent that you can give back, I feel some sense of obligation to do so. And it's been a great way to stay connected and, again, just another avenue for that intellectual curiosity, "hey, what's going on?" And a sense of pride that comes with seeing the university become again what it once was. Every time you come on this campus now, you can visibly see the changes through the construction. But it's also, facilities attract faculty. So just watching the quality of the university emerge and now the recognition that the College of Ag is getting on a world stage is really interesting to see.

And I've got some company connection as well. And that's been through introduction – I'm very careful to recuse myself from what I do from a business standpoint with my university interests. But there's some natural interests that have merged there.

And then I served on the Foundation board of trustees and elected to take a sabbatical, talked to the Foundation about it, and what happened was, just with my schedule, if my name is on something and I'm serving on something, I don't want to be that nametag on the table that doesn't get picked up, because they're not there. And that was becoming me, just because of travel. So we agreed that it was in our best interest to take a sabbatical until my schedule would permit what I would consider to be more full engagement at the Foundation level.

It's easier to stay connected to the College of Ag just because of my history. It's more informal. Strong relationships there, and the meeting schedule is not quite as intensive there as it is on the Foundation side. But we're really pleased and proud of what the university has become. Really pleased with Ed Ray, transformed, and it's a bit of what we've talked about, he expects exceptionalism. And that's one of the things that, when I first got started back with the university, and we were talking about helping them with a project – actually funded it – looking at our ag research program, our university research program, and how were we doing relative to others? And so, like I said, I actually funded a benchmark study, and I'll never forget, one of the conclusions was, relative to other universities of our size, we're doing quite well. And I said, "who on the planet cares how big we are?" That's not the right metric. Its how are you doing on an absolute term? So once you've set the expectations – and we've seen this with our children as well, in education – if you set the expectations high, they'll rise to it. People will achieve whatever you set out for them, so if you dumb it down and say, "we only aspire to be x," it's a pretty safe bet that's where you're going to hit.

[1:30:30]

So President Ray has raised the sense of expectation in all areas of the university. And just watching everybody rise to what that is, that's the value of vision. And once you create that expectation of exceptionalism, people either need to rise to it or you need to find new people who will. And it's just been really really fun and everybody wants to be associate with that, a winner, whether it's academically, culturally or athletically, everybody aspires to that. I hope they do, anyway.

KC: And people matter. The people who have reached out to us, first reaching out to Carl and then to us as a couple as individuals, the people here are committed to Oregon State being successful, they're committed to the state of Oregon being a successful state, they're committed to moving the future to a place that is – different visions of what that looks like – to a place where Oregon is on the world stage. And that's an exciting thing to be involved in, it's an exciting thing to have a piece of being able to say, "hey, we might want to consider this," you know, part of the decision process. And I would say the people – Carl brought up Ed and the folks involved in the Foundation, Shawn Scoville, Mike Goodwin – they've done just a phenomenal job of really pulling something – the world Carl uses – "special" together. Being able to keep us engaged but being able to manage what that can look like relative to what our schedules are, relative to what our commitments are. And it's been a very nice fit.

CC: And obviously there are significant geographic disadvantages from doing this from Minnesota, but also there are some advantages. A couple years ago I had the opportunity to go to an agriculture event at North Dakota State University, prior to the Harvest Bowl. And I said, "well, this is really cool." So I talked to Todd Bastian from the Foundation, who had responsibility for the College of Ag, and to Dan Arp, who is the dean, and said, "you guys need to come see this." So bought some plane tickets the next year, and we went up and observed it and had a bit of a debrief. And there's a Pacific Northwest Agribusiness seminar now and I was initially involved and Kim's been very actively involved in it. And I attended one at the University of Georgia, probably a decade ago now, and said the same thing, "hey, you need to go see this." And I so I took them down there, experienced it and did a debrief. Said, "what do you think about this? What's the niche?" And from that seed they started visiting with others and now we have an enterprise that's sustained itself for over a decade.

So being able to see and say "hey, this can be applied back here," and getting others exposed to it, I don't know if we're the outpost or not, but being able to have that periphery or purview to say, "I think this could be something really cool back home," I think that's been a bit of a unique value that we can bring back to the school as well.

KC: Yeah, and to that point, we have the people contacts at the school to follow up with. And when we've gone to different – like when we went to Penn State, we saw some things at Penn State at the Oregon State/Penn State game, where we were like, "this has a fit at Oregon State." Well, it didn't have the exact fit at Oregon State, but it ended up becoming something new that was done at Oregon State. But we saw it at Penn State. There were some different ideas at Wisconsin where we saw some things and had some discussions. So it's just that whole concept of having the people to

connect to and then, since we are out and about so much, just picking up the phone and saying, "hey, you've got to come look at this." Or, "have you guys thought about this?" Or, "how does this fit in with what you're already doing? We read about this – does this fit in there?"

[1:34:47]

CC: Yeah, at Penn State, it's a great example, because it's the culture of learning: learn, do, try, fail, go do something else. And when we first got started with that, I sensed within the university that people would be horrified if we did something that wasn't successful, if we tried something collectively. They thought that was failure; we call that learning. So Penn State was a great example of that. We're going to have a fundraiser at Penn State, we're going to troll all the lists of alumni within the region, let's have a fundraiser. We'll fly out a speaker from Oregon State, we'll create the reconnection, and this is great, we'll try and expand the network. And we got about a dozen people. It was a wonderful evening of great discussion and everything else, but it didn't have the impact that we anticipated and I think we tried it again at Wisconsin and decided that was even more of a failure. And so we've kind of jettisoned that, gone away from that. Tried it, seemed like a great idea, not particularly successful. OK, so just set that aside for now. Maybe a great idea before it's time, maybe a terrible idea at the time, we'll figure that out later.

Then we were at Penn State and everybody's bragging about their ice cream. OK, well there are a bunch of cows in Oregon and somebody said, "well, you know, there used to be a creamery here way back in the day," which preceded us. And we asked them to look at beer, wine and cheese. So basically one of the MBA teams, we funded. "Go study this and tell us what the answer is," and they came back and they said, "hey, the answer's cheese." OK. And so we helped kind of bootstrap that thing to get it going. And we funded a naming contest with students, so then the students got together and named the cheese. And so by seeing and then basically helping stimulate the curiosity and then planting the seed that allows it to grow, it's a lot of fun. It's a lot of fun to watch people get engaged, to watch them learn and grow. And when we're in the parking lot at a tailgater and they bring the wheel barrow by and sell artisan cheese, we buy it, but it gives us a little bit of a smile because we know where that came from. So it's a ton of fun.

KC: Yeah, it is, it's a lot of fun.

CP: Well this has been fun for me. Thank you very much. Two very proud and active alumni; it's been a pleasure to capture a piece of your story. I really appreciate you sharing your time with us.

CC: Thank you very much, appreciate it greatly.

KC: Thank you, yeah.

[1:37:13]