



MORRISON & COMPANY

IN THIS ISSUE:



"What if we don't change at all ... and something magical just happens?"

CHANGE MANAGEMENT

Brent Morrison and Shawn Miller on handling the inevitable.



CLIENT CORNER

There is always so much going on with our clients. Catch up on our latest client news.



MORRISON SNAPSHOTS

See what Morrison & Company has been up to.



NORTH VALLEY AG SERVICES: A CASE STUDY IN EVOLVING FOR SUCCESS

For most businesses, adaptation is inevitable and essential to longevity. North Valley Ag Services epitomizes this and is a prime example of a company that has rightly navigated change and initiated transformation to bring its owners and the greater agricultural community the greatest success.

For more than 60 years, North Valley Ag Services has served the needs of Northern California farmers. Originally formed in 1957 as Chico Bean Growers, the company was conceived as a grower-owned bean processing cooperative. Area farmers came together to find a solution to clean and sell their crop in a more efficient and profitable manner, with the founding group of 27 growers pledging their own assets to finance the original equipment and land needs of the operation.

As the needs of the growers evolved, so too did the business. Though the cooperative's main purpose remained cleaning, storing, and marketing their members' bean deliveries in the early years, it wasn't long before the cooperative began to offer fertilizer and supplies to their farmers as well.

As the decades progressed, the company followed suit. With growers across the company's service area transitioning out

of bean farming and into orchard crops, Chico Bean Growers faced a reality that many businesses come to at some point in their trajectory: adapt or die. The visionary leaders of Chico Bean Growers chose to remain committed to serving farmers' needs and revolutionized to North Valley Ag Services, a service and supply company, complete with rail and truck capacity to allow for broad distribution of supplies.

Today, North Valley Ag Services is cooperatively-owned by more than 400 Northern California farmers who farm almonds, walnuts, prunes, and other crops. It is an industry leader in providing crop protection, plant food, and agronomic and other services to growers.

Morrison & Company is proud to have served North Valley Ag Services for several years, primarily helping the cooperative to leverage grant funding to serve its members with educational programs. North Valley Ag Services has been able to host educational workshops on soil health, provide one-on-one financial mentoring to its members, support educational speakers at larger events, and has even been able to provide new technology resources to its growers. We look forward to adapting alongside North Valley Ag Services for many more years to come!



THE ONLY CONSTANT

If you've never heard of the Greek philosopher Heraclitus, you may still know this quote: "The only thing that is constant is change."

It is revealing that many of the quotes that pop up in a Google search for "change" refer to fear and pain. Author Mary Wollstonecraft Shelley wrote "Nothing is so painful to the human mind as a great and sudden change." Author and feminist Erica Jong notes "I have accepted fear as part of life, specifically the fear of change ... I have gone ahead despite the pounding in the heart that says: turn back." Novelist Raymond Chandler was no cheerier: "To say goodbye is to die a little."

Maybe. But we all say goodbye to things on a regular basis – and not just to fax machines and BlackBerrys. Changes in technology have become part of life for most of us, if only because you can't find needed parts or support after a couple of years. Ideas and ways of doing business, however, can be harder to dislodge.

One of the most telling examples is that of Eastman Kodak Company. Founded in 1888, Kodak pretty much owned the camera and film business until it was decimated by its sluggishness in embracing digital photography. In short, they saw themselves as the leader in cameras and film and didn't want to cannibalize their core business.

Bad call, because it didn't stop anyone else. And here's the kicker: A Kodak engineer invented the digital camera in 1975. The company went on to develop and patent digital technologies that are still in use today, yet didn't introduce their own digital camera until 20 years later, with little enthusiasm. By then it was too late. And it wasn't a fear of new technology that stopped them; they had that before anyone. It was a fear of messing with a "successful" business model.

The problem with success is that it is measured by looking back. By that standard, Kodak was still a success when it finally put a toe into digital markets but found itself on a downward spiral that led to bankruptcy in 2012. A shadow of its former self, its assets consisted largely of patents from its glory days.

A lot can get in the way of managing change: Comfort in doing the same thing; fear of the unknown or of making mistakes; a sense of having arrived. (If you ever do arrive, the bus is about to leave.) It's true that there is only so much planning you can do for change itself; it doesn't always knock. The most important part of change management is

ingraining in your organization the reality that change is as inevitable as the sunrise and sunset. It is something to be addressed and embraced, not feared. Like fearing the sunrise, it's coming anyway.

Accepting change is not easy for many, and adapting an organization's culture to its inevitability takes work. The first step is to examine yourself and your understanding of the dynamics and psychology of change. "Managing Transitions" by William Bridges, PhD and Susan Bridges, and "Leading Change" by John P. Kotter are good places to start. But there's more to change management than good books.

Keep your "Not going to change it" list short, to matters of faith and ethics you will need to guide you through change. Make anticipating, managing, and planning for change a regular part of your company's culture. Some practices, policies, product or service offerings – and perhaps people – may need to go. Don't be afraid to get help in managing the process. It is true that change can hurt, but it won't be as painful as the consequences of ignoring it. A "Kodak moment" isn't always a good thing.

Brent Morrison and Shawn Miller are principals in Morrison & Company. Morrison & Company helps companies deal with changes including changing markets, growth needs, changing competitive landscapes, human resource issues, and more.



WELCOME NEW CLIENTS



CLIENT CORNER

The Morrison Client Corner is a regular feature of our newsletter. Here, you'll find updates on what a number of our clients are up to, their achievements and milestones, and the generally great things happening in their companies or organizations.

If you're a client of ours, we'd love to stay up to date with what is going on within your organization and invite you to share your highlights in this space. Feel free to send any press releases, newsletters, or happenings to Michelle at MGenova@morrisonco.net.



SOHNREY FAMILY FOODS

Sohnrey Family Foods has been featured in several different news outlets lately. From California Grown's "Meet a Farmer" blog with Andrew Sohnrey, to Action News Now's interview with Greg Sohnrey on the recent winter cold snap, to the California Bountiful's article "Family Tree." With five generations of farming under their belts, it's no wonder why Sohnrey Family Foods is mounting such a successful operation. Their gift shop, located off highway 99 in Butte County, draws in crowds from all over the north state. From balsamic herb to candy cane flavors, their snack almonds are guaranteed to please. Check them out at www.sohnreyfamilyfoods.com.



THE JESUS CENTER

The Jesus Center, in partnership with several agencies in the area, was awarded a grant just under \$500,000 to reduce food waste in Butte County. They will be working with local restaurants and grocers to take unused food that would ultimately end up in a landfill, and provide meals to the homeless and impoverished. The funds received will assist with food storage and staffing, which has been the biggest issue when restaurants and grocers have wished to donate in the past. Morrison & Company is honored to have been a part of such an incredible mission, and we are excited to see this project flourish.



FIVE MARYS FARMS

Not only was Five Marys Farms featured in California Bountiful last spring, they have been steadily working to open their amazing new restaurant, the Five Marys Burgerhouse. Nestled away in Fort Jones, CA, Brian & Mary Heffernan, along with their 4 daughters, work their farm and now their restaurant. In fact Carhartt brand picked up Five Marys Farms and featured them in several commercials. Seeing the hard work, determination, and all out fun that takes place on the Five Marys Farms 1,800 acre ranch, they've dubbed Mary the matriarch of Carhartt women. If you are looking for a vacation, a trip to Fort Jones should be on your radar. You can follow [@fivemarysfarms](https://www.instagram.com/fivemarysfarms) on Instagram.



WELLNUT FARMS



Wellnut Farms recently released a scrumptious line of walnut butters in Original, Maple, and Salted Caramel flavors! These new nut butters are gluten free and vegan. Walnuts are a fantastic source of Omega-3 essential fatty acids, help fight cancer, and help with weight loss! They are selling on Amazon, so order away.



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MORRISON SNAPSHOTS



2018 CHICO CHAMBER DINNER

Our team was delighted to attend the 2018 Chico Chamber of Commerce Annual Dinner. We had an evening full of good food, good friends, and great awards. It was an honor to be part of an event that honors and recognizes the amazing members and businesses of our community.



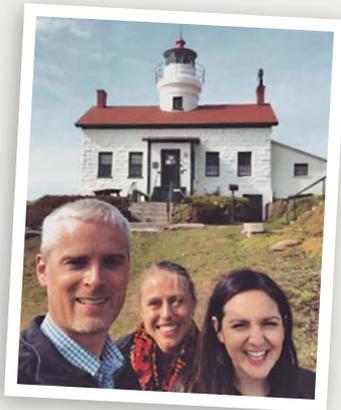
2018 BUTTE COUNTY YOUNG FARMERS & RANCHERS ANNUAL CLAY SHOOT

The Young Farmers & Ranchers hosted their annual clay shoot event on March 4th. The proceeds support the organization through leadership and community development. Morrison's Tim Peters, along with Stogan Group's Stuart Hoetger, and Pacific Farms and Orchards' Brendon Flynn and son Spencer all participated in this year's clay shoot and had a blast! The event featured not only lunch, a raffle, and the shoot, but a pop-up auction as well! What more could you possibly ask for? Great job Butte County Young Farmers & Ranchers.



2018 CALIFORNIA STATE UNIVERSITY, CHICO, COLLEGE OF AGRICULTURE'S CAREER FAIR

People Solutions team members Jesse Converse and Janae Prentice set up shop at the career fair in February. Now more than ever, people are needed for jobs in agriculture, and Morrison & Company is proud to support the career fair and the students who seek a career in Agriculture.



WHERE IN THE WORLD IS MORRISON & COMPANY?

Our team likes to travel, both for work and for fun. This time around Geoff, Hilary, and Toni made the trek up to Crescent City to work on a micro-enterprise training and development project with the City of Crescent City. Looks like they had some fun along the way.



2018 COLUSA FARM SHOW BREAKFAST

Brent, Shawn, Geoff, Tim, and Jesse were present at this year's Colusa Farm Show breakfast. It was great to see so many familiar faces. Catching up with clients and old friends always makes for a great event.



CALIFORNIA CENTER FOR COOPERATIVE DEVELOPMENT LEADERSHIP TRAINING PROGRAM

Morrison & Company was invited to present at the 2018 Agricultural Cooperative Directors and Executives Leadership Training Program. Brent, Shawn, and Jesse spoke on the intersection between Governance, Finance, and Strategy.