

## MMPA's New General Manager John Dilland Discusses His Past and MMPA's Future

**M**MMPA's new General Manager John Dilland has worked behind the scenes making sound financial decisions for the cooperative over the past 28 years. With his excellent financial skills, John has helped move MMPA from a debt-laden cooperative to one that has shown a profit over the past 26 years.

"John has been with MMPA for 28 years and is very knowledgeable about the day-to-day operations of the cooperative," MMPA President Elwood Kirkpatrick says. "His extensive experience with the financial side of the association in addition to his background in agriculture will prove invaluable to the cooperative and its members in the coming years."

John's roots are firmly planted in agriculture. He grew up on a livestock and cash crop farm near Tioga, in the northwestern part of North Dakota.

"My parents, who are still living, grew up on farms that their parents homesteaded in the early 1900's in the same area," John says. "Agriculture was not only a vocation for the family, but a chosen life style of virtually everyone I knew."

Every member of John's immediate family is involved in agriculture. His older brother and his wife own and operate the family farm; his younger brother is a veterinarian who works for the USDA in Dallas, Texas and his sister and her husband own and operate a grain and beef cattle farm near Tioga.

"My interest in agriculture started on the farm and was heightened in high school by my vocational-agriculture teacher," John says. "He was a terrific mentor and coach. His judging teams set the standard for competition in the state, whether it was parliamen-

tary procedure contests, livestock judging, crops judging or farm mechanics."

John's interest in agriculture led him to pursue a degree in animal science with a minor in agronomy at North Dakota State University, fully intending to return to the family farm. He attended college during the mid 1960's when all young men enrolled in college were required to take two years of Reserve Officer Training Corp (ROTC) classes.



"It seemed like every young male in the state was being drafted so I decided to continue on with ROTC for two more years and received a commission as an officer in the Army when I graduated from college," John says. "I wasn't called into the service immediately, so after graduating I took a job with the Soil Conservation Service for five months."

John spent two years in the Army, fortunate enough to be stationed in Germany as a Division Supply Officer during the Vietnam War. It was during that time he decided to attend graduate school and get a business degree. He had very little education in that area and thought a business degree would help when he returned to the farm.

At the time, The Ohio State University (OSU) offered an agri-business option for the Masters in Business Administration program. John enrolled in the program and took on a research assistantship in the Agriculture Economics department. Unknowingly looking into his future, John decided to do his thesis on the financial methods of valuing the worth of cooperatives in a consolidation of dairy cooperatives. As a strange coincidence, a reference cited in his thesis was a report presented by Glenn Lake, President of MMPA, on the Michigan superpool.

While working on his thesis, John got to know Chuck Ingraham, the cooperative professor at OSU.

Chuck suggested that John attend the AIC Conference, the predecessor of the NICE Conference, to check out jobs in the cooperative world.

“At a luncheon during the conference, I sat next to Oren Shelley, the president of the St. Paul Bank for Cooperatives, and mentioned I was looking for a job,” John says. “He indicated that St. Paul Bank was looking for business analysts and that I should stop in and interview. I did, and was hired by the bank in September 1971.”

Initially, John worked with cooperatives in Wisconsin. After three years, he took over the loan officer responsibilities for cooperative customers in Michigan, including MMPA.

During that time, MMPA was experiencing significant problems with a customer called United-Twin Pines (UTP) Dairy. An increase in milk receivables from UTP brought about a working capital shortage at MMPA, causing MMPA to ask its local bank for some long-term financing. Because MMPA was using revolving funds with fixed maturity dates, its debt to equity position was already high and the local bank refused to lend MMPA any more long-term debt. MMPA turned to John’s then current employer, St. Paul Bank, for assistance with its cash flow problems. Soon after the loan was established, John was assigned to the loan servicing responsibilities for the MMPA account.

“The UTP receivable problems were so severe in 1974 that the MMPA controller and credit manager both had heart attacks within a month of each other as a result of the stress,” John says. “When it became apparent the controller, Alton Morehouse, would not be able to return to his job, Jack Barnes offered the job to me.”

John began his employment with MMPA in 1975 as MMPA’s Controller. One of his early challenges was to correct the adverse debt to equity structure that existed in MMPA’s balance sheet. He converted the cooperative’s debt-laden revolving fund program to an equity retain program. That modification significantly changed MMPA’s debt to equity relationship, adding nearly \$24 million in equity to MMPA’s balance sheet over a 10-year period.

During his time at MMPA, John has been involved in a number of significant events, including the merger with the Constantine Cooperative Creamery, the merger with Michigan Producers Dairy Cooperative and the acquisition of and the sale of the McDonald Cooperative assets. He was also part of the negotiating team for MMPA that established the joint venture with the Leprino Foods Company, an agreement that has proven to be very beneficial for MMPA.

John was selected by the MMPA Board of Directors last fall to take over the General Manager’s position upon Walt Wosje’s retirement.

The change in management at MMPA has allowed the cooperative to reduce management staff in the Novi office and restructure certain job responsibilities. John has taken over the General Manager’s responsibilities in addition to keeping some of his previous duties as the Director of Finance. The remaining responsibilities formerly held by John have been distributed among several members of the MMPA management staff.

“The willingness of the MMPA staff to assist in this cost-cutting move is greatly appreciated,” John says. “We will continue to look at all areas of operations of MMPA to find ways to further reduce our operational costs.”

“All of my experiences at MMPA have given me an appreciation of the value the cooperative has created for its membership,” he adds. “As I assume the General Manager’s position, I am aware of the number of challenges we are facing today in the dairy industry. I want to assure the MMPA members that our staff intends to continue working hard to make a difference for our members.”