



Alumni Spotlight

Mike Frame

Class of 2004

Refined Fuels and Lubricants Sales Director

West Region

CHS Inc.

Spokane, Washington

Energy industry energizes K-State Master of Agribusiness graduate

by Mary Bowen

The energy industry is changing. Just how much is anyone's guess, but supply fluctuations due to instability in the Middle East and Hurricane Katrina are just a couple of examples of how sensitive the energy market can be. Mike Frame has held positions in the energy industry since graduating from the University Missouri in the mid-'80s and is used to managing challenges faced by the industry.

Starting with Farmland Industries in Energy Sales, he has moved up in the industry and is now Sales Director of Refined Fuels and Lubricants of the West Region for CHS Inc., which includes Northwest Minnesota, North and South Dakota, Montana, Wyoming, Washington, Oregon, Idaho and Utah. As Sales Director, Frame manages headquarters office staff and a field staff of eight district managers who call on customers, distributors, independent businesses and cooperatives.

Frame was originally attracted to the Master of Agribusiness program because he wanted to position himself for personal growth, as well as growth within his company, and wanted to prove he could be successful in a rigorous program while maintaining his family and work environments. The program helped fulfill these goals and more.

"The MAB program was outstanding. It's more than a 'paper' master's degree—you sit in the classroom, take tests and work with the faculty. There are some key take aways from the program that stay with you. For one, my time management and

staff development skills changed as I went through the program, making me a better manager. The other key is the macro perspective I have developed – learning to look at issues with a long-term perspective," he said.

The macro perspective has been an advantage when addressing current challenges in the industry. One of the biggest tests has been on the refined fuels side of the business. Over the last few years, the market has shifted from tight supply and increasing margins to shrinking margins and plenty of supply, giving customers and competitors greater options.

"It is easy to sell fuel and make money when supply is tight, but now that supply has increased, managing the business appropriately has become very important in staying competitive," Frame said. "Long-term projections forecast crude oil prices to rise. But the big question is how refineries will respond. I think it will still be a profitable industry, but not like it has been in years past."

The House Waxman-Markey Bill and Senate Kerry-Boxer Bill could bring even greater challenges. As worded, the bills places refiners in the same category as the transportation industry, but more importantly forces them to buy allowances for every gallon of fuel they make, leaving them competing for a decreasing number of federally issued allowances. With greater allowances slotted for foreign entities, domestic refiners, such as CHS, will face even more competition and higher prices when purchasing carbon credits. Smaller businesses likely will not be able to compete and be forced out, while others will survive by further reducing their green-house gas emissions and passing on the cost to consumers.

"CHS is a strong company and we will move on with our plans with or without Cap and Trade," Frame said. "If Cap and Trade passes as is, I think there will be a major shift to off-shore refining. However, this will create opportunities to bring product back into the country."

His MAB thesis project, "Market Study of Retail Fueling Sites in Yellowstone County, Montana" has continued to be a useful tool. The project sought to better understand the number of fueling

CHS is the largest cooperative refiner and manufacturer of lubricants and one of the largest propane wholesalers. CHS sells more than 3 billion gallons of refined fuels annually under the brand of Cenex®.



Alumnus Mike Frame provides the perspective from the energy industry on the effects of climate change regulation at the MAB Professional Development conference in August 2009.

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in the NEWS...

Sandra Alton, class of 2006, and her husband announced the birth of their son, Gushart Alexander Reynolds Reid on October 23rd. Gus was 8 lbs 3 oz and 20 ½ inches.

Oussama Alaoui, class of 2005, and his wife, Mounia, announced the birth of their second child, Ismail, on December 17th.

Marilyn Vass, class of 2004, has moved to Evansville, Wyoming, and taken a job with the Wyoming Health Medical Group as an Account Representative.

Brent Schwenneker, class of 2008, and his wife welcomed a son, Bryce Edward on October 31st.

Miguel Marcano, class of 2008, and his wife announced the birth of their first child, Isabella, on December 30th.

Travis Holt, class of 2004, has been promoted to President and CEO at Citizens State Bank of Loyal.

Evan Winchester, class of 2004, announced his son, Trevor, graduated from K-State with a bachelor's degree in Agribusiness, and accepted a position at First National Bank in Syracuse.

Amber Hanna, class of 2012, and her husband announced the birth of Michael Raymond on October 6th.

Clay Mead, class of 2008, and wife, Lindsay, welcomed Anna Leigh on August 26th.

Mike Schuele, class of 2008, has been promoted to Mill Manager at General Mills' Kansas City Flour Mill, the 3rd largest flour mill in North America.

Ivan Mills, class of 2010, has accepted a position as Operations Assistant Manager for Viterra, and will be moving to Ray, North Dakota.

Sarah Velasquez, class of 2007, has accepted a position as the Senior Coordinator of the Kansas IDEA Network for Biomedical Research Excellence (K-INBRE) at KU Medical Center and has relocated to Olathe, Kansas.

Katy Venard, class of 2007, and her husband announced the birth of their son, Levi David on November 24th.

Jeff Bennett, class of 2007, has taken a Product Engineer position in the Sprayer Group of John Deere Des Moines Works.

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sites and brands a given market can support; determine the gallon volumes and site profitability; and identify potential sites to convert to the Cenex® brand.

"I have used the market study while talking with customers to demonstrate more than one branded site can be successful in a market. It has also been a useful model for estimating gallons for sites we have considered building or estimating what competitors are pumping," he said.

Whatever direction the market takes, Frame feels he has the skills, background and experience to help his company meet the challenge.

Not all about work, Frame enjoys expending a lot of his personal energy with his family. Married to Betsy for

"The MAB program was outstanding. It's more than a 'paper' master's degree—you sit in the classroom, take tests and work with the faculty. I continue to recommend it."

23 years, they have three children, Madison, a sophomore at Washington State University; Hank, a freshman at Washington State; and Ellie, a junior in high school. He is active in church, and spends as much time as possible enjoying outdoor activities with his family.



Frame enjoys discussion with MAB alumni Walter von Muhlen Filho (left) and Matt McKamey (right) in August 2009.

Upcoming Events

February 15

Australia/New Zealand trip registration payment due

March 14-19

Campus Session

April 12

AGEC 710, Comparative Food and Agriculture Systems begins

April 16-May 1

Trip to New Zealand & Australia

May 4

Deadline to attend spring commencement - Approval to schedule final examination and diploma information forms due

May 10

Final electronic copy of thesis due to graduate school for May graduates

May 14

K-State spring commencement

May 21

Final electronic copy of thesis due to graduate school for August graduates



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