Alumni Spotlight
Leah Suellentrop
MAB Class of 2001
International Dairy Trader, Hoogwegt US, Inc.
Libertyville, Illinois

by Cristina Mansfield

The Alumni Spotlight focuses on an MAB alum, and is written by Cristina Mansfield, a 2004 graduate.

Most MAB students and alumni will remember eating pizza at Leah Suellentrop’s Gambino’s franchise in Aggieville during the January and March campus sessions.

Unsure of her path after high school, Leah followed her brother to K-State where she developed a passionate interest in international agriculture economics. She chose international trade as her specialty and studied international agriculture in France as part of K-State’s Agecon exchange program. Leah married after her freshman year in college. She, her husband, his brother and sister-in-law were all in school and needed to earn a living. They opened a pizza delivery franchise, making pizzas all night after a day of classes. Leah and her husband eventually took over the business and opened two more franchises, before opening Gambino’s in Aggieville. After graduation, Leah did a summer internship at USDA’s Agricultural Marketing Service. It was there that she realized she would need a master’s degree to continue in the field.

When it was time to write her MAB thesis Leah wanted to do a real project and called the USDA Trade Division in Topeka for a list of companies that had recently contacted them. She found one that was willing to pay her to research an international marketing plan. During the process, she learned a number of practical skills that remain important to her current work such as the 8-step market research guide that she found on the Kansas World Trade Center website and how to pull data out of USDA’s Harmonized Tariff System (www.census.gov). “The information is very useful in finding emerging markets,” she said.

After completing the MAB, Leah moved to Denver to work for the U.S. Meat Export Federation as a Market Specialist focusing on marketing programs in Southeast Asia. With no previous experience in Asia or beef, Leah learned to conduct in-depth market research studies and -- more importantly -- realized that she did not want it to be her chosen field: “Market research was a little grey for a hands-on personality. I realized that I wanted to be in sales.” Three years later she moved to Chicago to work for Hoogwegt U.S., a Dutch dairy trading company. The move was not ideal (her husband commutes to his business in Denver) but an interview at the firm sold her on the prospect: “The company backs me financially. I can go anywhere and sell anything - I can buy anything too as long as I sell it.”

As an International Dairy Trader, Leah spends 25% of her time traveling to dairies across the U.S. buying dairy products and selling them in Asia. Ninety percent of her sales are U.S. products, mostly milk and whey. According to Leah, the trading industry basically makes money on opportunities and relationships. Relationships with U.S. dairies make her business. To dairy owners, this means paying bills on time, representing their products well, and providing help within reason, such as occasionally reducing margins to assist them.

The main challenges to her work are language and cultural barriers. “I sometimes visit up to seven countries in one trip and have to be very adaptable… Developing relationships through a translator is also very challenging.” Other challenges include free trade agreements when the U.S. is subject to tariffs and logistical problems. As head of a logistical team, logistical challenges, such as a port on strike, create headaches for Leah.

When asked about current trends in the international dairy trade industry, Leah points to a number of interesting events:

- Food trends such as diet fads like the Atkins diet make whey protein more expensive because higher domestic demand increases the international price.
- As a country becomes more economically developed, the population increases its dairy consumption. For example, China is transitioning from a country where people never drank milk to raising their children on milk. These countries will naturally develop their own dairy industries, which is why U.S. firms want to enter emerging markets as early as possible.
- Fuel surcharges from trucking companies to shipping lines are raising the price of dairy products and current energy surcharges in the U.S. are increasing the cost of production.
- International traders watch currency fluctuations, in particular the Euro, which has been fluctuating a fair amount, because of their effect on international prices.
- The internet is making it easier for traders and customers to find each other. Internet telephone applications, which permit free international calling, are becoming increasingly popular, especially for agents who work on small margins. Text messages, virtually ignored in the U.S., are widely used overseas. On an average day, Leah receives 5-10 overseas text messages on her telephone.

What skills make a good international dairy trader? According to Leah, core knowledge of the culture is essential. This means doing one’s research ahead of time rather than expecting to learn along the way. “Do your research before you go. Talk to people who have been there, who have done business there, who are from there. Visit websites, read books.” Any final words of advice? “When doing business overseas, and Asia in particular, avoid getting down to business too quickly.”

Dairy Trivia
Milk can be broken down into three components: fat, which usually stays in the U.S., and protein and lactose, both of which are used as (1) animal feed ingredients and (2) bakery applications such as condensed milk. Lactose in particular is a surplus item in the U.S.