Experiences in the pork industry

If you are interested in learning about preventive maintenance programs – or any aspect of the pork industry for that matter – the person to talk to is Randy Dalinghaus, Vice President of Fresh Pork Operations at Farmland Foods.

After studying Meat Science and Animal Science at K-State in Manhattan, Randy went to work for Hormel in Austin, Minnesota as a hog buyer. In 1995, he moved to Farmland Foods as a quality assurance inspector. Since then, he has held just about every position in the company, starting in operations where he became a production supervisor. He moved from production to research and development where he enjoyed the challenge of developing new products and troubleshooting production problems. He became skilled in corporate scheduling for bacon and sausage (i.e., consolidating customer orders into a master schedule to plan weekly plant production) and learned to manage inventory so distribution centers would have what they needed to fill orders. From there he was promoted to business manager for bacon and sausage where he learned to price the product line and decide what sales and markets the company would pursue after receiving feedback from sales area managers.

Randy’s career took him from Wichita, Kan. to Crete, Neb. to Kansas City, Mo. In 2002, he moved back to Wichita to become Assistant Plant Manager. Within a few months he was Plant Manager, a post he held for nearly five years. He was promoted to General Manager in Denison, Iowa, and after not quite two years he became Vice President for Fresh Pork Operations back again in Kansas City.

In 2004, he graduated from the MAB program and it turned out to be a great experience. Going through the program after having worked for several years allowed him to apply the knowledge a lot more than if he had done the program right after his BS. In particular, he appreciates the relationships he established. “I have kept connections with the folks that graduated with me and we email back and forth. None work in the same industry and it helps to have peers working in other industries because they can remain objective.” He enjoys being able to talk with alumni who work in companies like Budweiser and John Deere.

In 2003, Farmland Foods was purchased by Smithfield Foods after going through a reorganization. Smithfield is larger and all about pork. It has more facilities, more technology resources and greater capacity to spend capital and focus projects. As a result, the company has been able to add value to Farmland by becoming better stewards of the environment and introducing new by-products. For example, the blood thinner heparin is a by-product of the small intestine of the hog and Farmland Foods is now producing it in all of its plants. Farmland is also working on projects to capture methane gas from wastewater and use it to fuel the boilers, an activity that is both good for the environment and helps improve plant efficiency.

Being part of larger company with various production lines provides the opportunity to compare processes and identify and implement best practices. “We realized that the Wichita plant was good at making food service hotdogs.”

When asked what has been happening in the pork industry, Randy said that the trend is one of consolidation and cutbacks.

“The industry suffered a glut of overproduction and been significantly affected by the export market to Japan, China, and Russia. Those countries cut
back and the Chinese markets are just opening back up. They were all closed down and affected by the H1N1 scare of last year. It took a long time to recover in China. In the domestic markets, there was a blip on the sales side, but the export markets were greatly affected.”

He adds that prices are high right now because the market is in the process of over-correcting from the reduction in supply. Companies cut back on production and are now finally seeing the corrections.

“Right now is a good time to be a hog producer. Two years ago that was not the case.”

Randy’s MAB thesis was entitled “Analysis of Performance Measurements and the Effects on Plant Output” where his regression analysis suggested investments in equipment, and maintenance programs yield important savings.

“There are significant potential benefits when you remove uncertainty about whether equipment will run, what to do with employees if it breaks down, where to get replacement equipment, and how much down time will cost you.”

Introducing new technology is a constant in meat processing and there is a drive to automate the tougher jobs to avoid injury. The more equipment you put in, the more maintenance is needed. Consequently, maintaining uptime in the plants becomes increasingly difficult. Farmland Foods now has a full-time person on staff responsible for visiting all the plants and implementing and modifying preventive maintenance programs. Preventive maintenance consists in estimating the life of a part, predicting failure, calculating inventory turns and replacing the part before it wears out.

“You must have the parts to do the work, but you do not want to carry millions of dollars in parts.” In other words, a preventative maintenance program applies the just-in-time approach to part replacement.

Randy’s general management style is that of a team player. “I grew up in the trenches, doing night shifts, working on the floor, and doing quality assurance.”

He recognizes that to be a leader you must have a team that trusts and respects you and you get that by working alongside them. It is important to hire employees who take responsibility for their work. If an employee betters themselves to the point where they want to move on, it is worth supporting them.

“They will remember the interaction they had with you. The meat industry in particular is a small world.”

During his fifteen-year career at Farmland, Randy has had quite a ride. He has had a lot of great mentors and it is now his pleasure to watch young professionals that have worked for him move up through the ranks.

“It makes me feel good. Always try to grow people; people retire and people move on. It is a never-ending process of helping people grow.”

What important lessons has he learned along the way that he would like to share with fellow alumni?

“Be a decision maker, but you always want to keep your boss informed of what you are doing. If you make a mistake, tell your boss and do not let him hear it from anyone else.”

What is behind his success? “Growing up on a farm, my parents taught me to have a strong work ethic. I try to instill this in my sons. My wife Michelle has been very patient and supportive of my career even though each of our three boys (ages 11, 8 and 4) were born in a different state. The last move was especially hard for the boys who hated to leave their friends. Having a supportive wife is essential. There is no way I could have done what I did without her.”

Visit MAB at IFT in Chicago

The Master of Agribusiness will have a booth at the Institute of Food Technologists Annual Meeting and Food Expo July 18-20 at the McCormick Place Convention Center in Chicago. MAB will share booth #5419 with the K-State Food Science Institute. We are pleased to have MAB students Josh St. Peters and Marvin Goertz joining us in the booth to share their MAB experiences.

If you’re going to be at IFT, stop by and visit Lynnette and Mary at booth #5419. We’d love to see you!