

THE MARK

EMPLOYEE NEWSLETTER

VOLUME

3

CEO UPDATE FROM HEATH BARNES

Not My "New Year's Resolution"

Happy New Year! The hustle and bustle of the holiday season is in our rear-view mirror and for many of us this is when we set personal goals (aka resolutions) to make important changes in our lives.

"This year I will quit smoking. This year I'm going to eat less and exercise more. I'm going to spend more time with family this year."

New Year's resolutions tend to be based on something we wish we would have done during the previous year, and while most of them are all focused on making dramatic improvements to our daily lives, we typically don't follow through on them. I think this quote from Mark Twain best describes how most of us deal with New Year's resolutions.

"Now is the accepted time to make your regular annual good resolutions. Next week you can begin paving hell with them as usual."
- Mark Twain

In this issue of The Mark and during the first quarter of 2023, we are highlighting our cultural pillar of Innovation. Adopting and maintaining an innovative mindset is critical to delivering the excellent customer experience and working environment we all desire.

So, what does innovation mean to us as a company? Often, we hear the word "innovation",

and we immediately think about the latest piece of technology or a new product that revolutionizes the world around us. These things are the results of people with an innovative perspective. When we talk about innovation, we are really talking about the mindset of continuous improvement. Improvement is a process, the integration of a new recommendation, or the ability to pull value from the supply chain back to our customer owners. Our Sustain Wheat Program is a good example of how we've accomplished this.

When we talk about innovation, we are really talking about the mindset of continuous improvement.

Another way to think about Innovation is anything that helps us create an experience that makes our customers feel valued, respected, and appreciated whenever and wherever they engage with Mercer Landmark. We must continue to create innovative solutions that connect our customers to the consumer and deliver more value back to our owners. In the future, we hope that we can expand this concept to the animal protein space, as well as new opportunities in the oil seed market. Our relentless

EMBRACE IDEAS

TRY NEW

LEARN QUICKLY FROM OUR EXPERIENCE



Going Above

THE
MARK

pursuit of better ways to "do what we do" also benefits our team. Being more efficient and working smarter creates a safer and more desirable working environment for all of us.

Don't be fooled by the timing...as we approach 2023 and focus on embracing a more innovative mindset, we can't allow our resolve to go the way of Mark Twain's declaration. Instead, please join me in following the advice of the great Michael Jordan, "Some people want it to happen, some wish it would happen, others make it happen."

Let's all be a part of the innovative culture that makes it happen. I want to thank each one of you for all that you do to give our customers the experience that they deserve. Let's have a great start to the year.

-Heath Barnes, CEO



Employees Making a Difference

I heard a story recently of how Dan Weitzel went into work early on the Friday before Christmas to deliver Propane for Energy.

On one of his early deliveries, he encountered an elderly gentleman who had slid off the roadway and was stuck in the ditch. The gentleman had no cell phone and was trying to get to the nursing home where he volunteered to serve breakfast. He wanted badly to help serve the shut-ins meals before Christmas.

Dan got the man in his truck and let him use his cell phone to call the man's brother to come pick him up. When no-one answered the call, Dan offered to haul him back to Rockford where he and the man's brother lived.

Acts of kindness like this do not go unnoticed.

Way to go "Above the Mark", Dan!

- Nominated by Mark Roeth





INNOVATION MATTERS

If asked to describe the company Nike, most people would probably say "a shoe company or maybe a sports apparel company." Some might even describe them as a "marketing company." Several years ago, the CEO of Nike, Mark Parker said "We're an innovation company." Innovation extends beyond the tangible products and services a business provides its customers. It encompasses the attitude and approach of the people who produce those goods and services and how they pursue change.

Innovation is a core principle of our culture at Mercer Landmark. We often describe it as:

The relentless pursuit to create, discover and implement new and improved ways of delivering customer excellence. This includes the technology we utilize, our business processes and our marketing strategies. An innovative culture is agile and easily embraces change.

How do we incorporate this principle into our company and maximize the value of innovation for our customers and our business' success?

Every Idea Matters

I recently heard Greg Culp, our VP of Sales and Marketing for Agronomy, describe Innovation as "a culture of ideas where every idea matters." Innovative ideas are not exclusive to executives and managers of a company. The free flow of ideas throughout all levels of an organization is essential for innovation to flourish. Every team member at Mercer Landmark should feel safe and welcome to share ideas for ways to improve quality, customer experience, and the ways we do what we do. Every idea won't get implemented, **but every idea matters.**

Fail Fast

Great innovations typically result from a series of fast failures and fast responses that incorporate the necessary changes to make it successful.

People who focus on u
maximize their po

Go into the project knowing you're going to have to modify the original idea. Monitor the implementation of new ideas closely and adjust rapidly. Failure is acceptable if it causes the idea to evolve and improve.

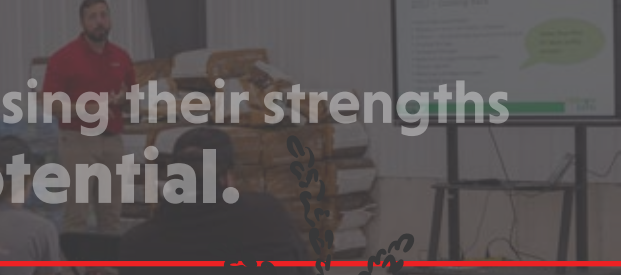
Embrace Change

Innovation and change are inseparable. Avoiding change is not an option. If we are going to be an innovative company, we must accept that change will be a constant factor for us to manage. Attitude towards change has the greatest impact on the success of new ideas. Incorporating feedback and communicating the purpose to the people most impacted by change early in the process is a good way to establish buy-in and openness to the idea.

Innovation is hard work and can be messy at times, but it is what separates the best from the rest. As Heath outlined in his article, we have many areas to focus our innovation on (please make sure you read this on pg. 2) in 2023. Suggesting a new idea takes courage and boldness. I've had the pleasure of meeting many of you over the last two years and I don't think I've met anyone lacking these attributes. Let's create a culture at Mercer Landmark where every idea matters.

Innovation is hard work and can be messy at times, but it is what separates the best from the rest.

- Neal Horrom, COO



...sing their strengths
...potential.

An Innovative Approach to Creating Strong Teams

Discovering and maximizing the strengths of each of our team members is an innovative approach to helping Mercer Landmark deliver an excellent customer experience and creating an excellent work environment.

Strengths-based development is the practice of:

- Identifying each person's key strengths.
- Further developing those strengths.
- Putting people in positions where they can best utilize their strengths.

It is the opposite of a weakness-improvement-based approach that tries to "fix" people's weaknesses and mold employees to fit specific, predetermined roles.

You wouldn't put someone who is 7 feet 1 inch tall at point guard for a basketball team, so why would you put someone who excels at engineering in the sales department?

Why should we focus on developing our strengths vs. strengthening our weaknesses?

According to research by the Gallup organization, companies that practice strengths-based development improve their business outcomes in a variety of measurable ways compared with businesses following other methods of employee development. Strengths-based companies experience increases in sales, profits, and customer and employee engagement. Similarly, strengths-based companies can decrease turnover and the number of safety incidents they experience.

Matching employees with positions where they can naturally excel is better than trying to shove them into positions that don't fit them well.

Heath's Executive Leadership Team (ELT) and the members of our Ambition in Action (AIA) group have already completed the Gallup Clifton Strengths Finder assessment. This helped members of both teams uncover their strengths and better understand how those strengths impact their success at work. The Agronomy Sales Leadership team just recently completed the assessment as we roll out this initiative across our organization.

Becoming a strengths-based organization encompasses all four pillars of our culture of excellence. I will continue to unpack the strengths-based concept in future issues of The Mark. Please contact me if you are interested in developing a plan to implement this approach with your team.

- Mark Roeth, Director of Organizational Development



GRAIN



I want to thank each and every staff member of the Grain Business Unit for their continuous hard work and efforts in embracing the Vision of the Company through the four pillars. In this segment of The Mark, we will be focusing on the Innovation Pillar and how that transpired during the 2022 Harvest season within the Grain Team.

I think many times we hear the word innovation and immediately think this must be a new idea or a never-before-seen grain contract, when in fact it's about having an agile mindset at your facility or modifying a current grain contract that fits the need of a producer.

Every harvest season presents challenges that usually aren't foreseen and VOMITOXIN in corn was this season's challenge. Early on, we were hoping that vomitoxin was only in a certain geographic pocket, but as corn harvest progressed, we quickly found out that vomitoxin was present in Mercer Landmark's entire footprint from South to North and East to West. Instead of panicking, our leadership team went back to the Innovation Pillar and modified the vomitoxin discount schedule and practices. We did these modifications while keeping OUR customer top-of-mind to create the best possible customer experience during this unpleasant time.

I know customers were frustrated, but I have received complimentary comments from customers that really thought Mercer Landmark had their best interests in mind when it came to our policy and procedures. That is a true testament to the grain staff embracing the Customer Experience Vision. Thank you - Rachel & Makena at MPS, Brooke & Faith at Elgin, Nicky, Deb, & Grace at Celina, Dylan & Trent at Convoy, Jenn & Kaleigh at Payne, Emily, Virginia, & Nolan at Latty, Candace & Brent at Antwerp, Brooke & Natalie at Sherwood and Chris at CWN.

Last harvest season the Covid pandemic presented some challenges with our staff being limited at many of our locations. Keeping an agile mindset, we posted two seasonal positions to help fill that void at our Northern locations. Cade DeLong worked at Antwerp and Diana Booher worked at Grover Hill. We were able to maintain and enhance the customer experience because of the services of these two seasonal employees. I want to thank Cade and Diana for their help this past harvest season.

Congratulations!

Congratulations to both Virginia Missler and Rachel Muhlenkamp as they have been promoted to Grain Marketing Advisors! Virginia will be based out of the Latty facility and Rachel will be based out of Celina once she comes back from maternity leave.

Also, congratulations to Diana Booher on retiring 8/31/22 after 13 years of service with Mercer Landmark at the Grover Hill location. She really helped us out by staying on as a seasonal employee for the harvest season. Diana loved being part of the Grover Hill team and working with our customers. The technology advancements of Scale Interface and Teams were some of the major changes that she had seen throughout her 13-year career. Thank you for all of your hard work, Diana!

- Andy Swerlein, VP of Grain



FEED

Heartland Feed + MPS Update

This year has been very busy with forming a new joint venture with Sunrise Coop. We are now Heartland Feed Services. Our focus on this newsletter has been on Innovation, one of Mercer Landmark's four pillars. We do this by encouraging our team to strive for better processes and new ideas to create value for our customers.

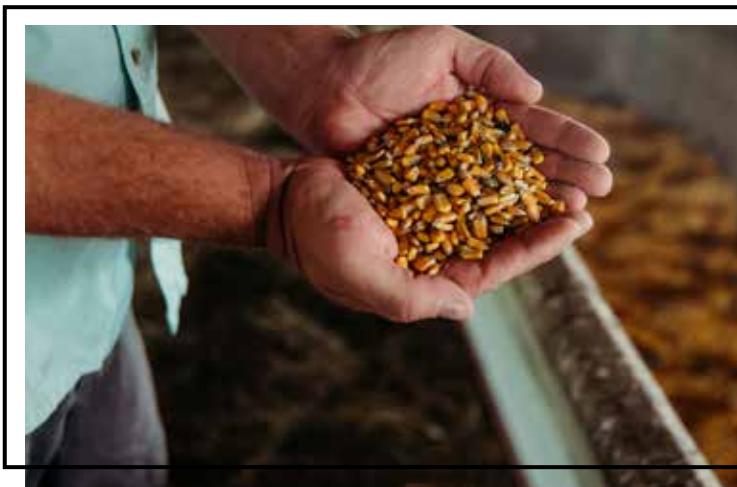
The new joint venture has allowed us to focus on becoming much more efficient overall. We have closed two mill facilities and have gone to species-specific manufacturing. Celina is handling all swine business, MPS is 100% poultry focused and St. Anthony includes all ruminant -dairy calf, heifer, lactation, and cattle feeds. With larger volumes of feed being purchased, manufactured, or direct

shipped, we are now able to buy in larger quantities or go from bag/totes to bulk, which helps contribute to more handling efficiency and lower costs. These positive changes are bringing better value to our customers.

Our different species are all realizing growth in all areas. We have added more swine ownership through purchasing sows in an Illinois Sow Unit and getting a pig purchase agreement with another swine business. We, as Mercer Landmark, will be owning and marketing over 170,000 pigs per year. Our dairy calf numbers are growing, too, as our customers grow and we pick up more business. Our cattle team is aligning with new businesses and starting a cross bred network, allowing us to expand our calf network and feed more cattle. Swine alignment with traditional swine owners is growing. Poultry ownership has grown with 2 additional flocks this year and more expansion coming in the future.

Our team is doing a great job in creating new ways to help our customers and our company.

- Mike Dammeyer, EVP of Feed



LOGISTICS

As we reflect on this year's harvest season, I think we have some great things to celebrate. 2022 was probably one of the smoothest harvest seasons we've had from a logistics standpoint. There were a few factors that influenced this.

This year we headed into harvest with extremely low grain stocks in our facilities, which allowed us to make better use of our time as we were able to plan more efficiently on what we were going to haul and when, instead of just putting out fires with our backs against the wall. We also added some new members to the grain team, allowing us to have more eyes on the business, which in turn led to making smarter decisions about what we were doing and when.

I commend Andy Swerlein and Nolan Tinnel for their hard work this harvest season – they were fantastic to work with and made my job

considerably easier this year. If we look at the numbers, this year during peak harvest we hauled around 100,000 more bushels than we did last year. This was greatly influenced by the increased bushels picked up off-farm. We were able to increase our bushels moved, while also working 100 less man hours than we did during harvest last year. This was all accomplished through good collaboration and communication.

Customer feedback was positive during the harvest season this year. This is really exciting, as our goal is always to do everything we can to provide a positive customer experience. As always, I want to greatly thank our team because without their hard work and dedication we wouldn't be able to accomplish any of this.

- Cody Mabis, EVP of Logistics

ENERGY

**WE'LL KEEP YOU
RUNNING STRONG
AND WARM ALL
SEASON LONG.**

Energy markets have been on a wild ride this year. Prices have soared due to Russia invading Ukraine with sanctions placed on Russian crude exports, creating fear of supply shortages. Prices have dipped due to recession talk, creating fear of oversupply. The energy markets have been on a yoyo for the last few months. Prices are up when supply shortages are in the news and are lower when recession is in the headlines. Going into winter, prices seem to normalize until the next news cycle drives the market up or down. The Mercer Landmark Energy Team has been offering customers future contracting to level out some of the price spikes. Recently, the future pricing has been 20-30 cents below current prices.

Please have customers contact **Justin (419-678-4811)** to develop a plan.

Why tank monitors? An Innovative approach to excellent customer experience.

Mercer Landmark has about 1,500 propane courtesy customers. A courtesy customer is a customer that wants us to keep their tank full, doesn't want to call in to order, and doesn't want to run out of fuel. Traditionally, heating degree days have been used to predict when customers are due for more fuel. Heating degree days work well, but do have some shortcomings. Some of which are that we never know when customers turn their heat on or off. Has their



backup generator been running, or do they use pool heaters? None of these extra uses are calculated into degree days. Tank monitors take the guess work out of knowing the tank percentages. Monitors communicate daily at 3am via cell phone signal. Every morning, we see monitor readings and can plan routes for the day and week more efficiently.

The main reason we use tank monitors is for customer **satisfaction**. No run outs, cold showers, cold homes, cold pools – and these are our goals for satisfied customers. Satisfied customers may tell their friends and neighbors about Mercer Landmark's great service, and an unsatisfied customer will tell everyone they meet. Additional benefits to monitors are fewer miles driven and more gallons delivered per stop.

Mercer Landmark has about 1,800 monitors on customer tanks. We are adding monitors to key diesel, gasoline and lubricant customs to increase customer satisfaction and to increase route efficiency.

Welcome to the Energy Team, Kevin Kaup!

Kevin Kaup joined the Energy Team in August, specializing in lubricant and fuel sales. Kevin and his wife, Lynn, welcomed their daughter Etta Irene on November 8th weighing 8lb 4oz. Etta has 3 older brothers.

**- Joe Hart, EVP
of Energy**



AGRONOMY

As we begin the 2023 calendar year and remember the Holiday season, we hope you had time to pause, reflect and take a moment to be thankful.

Mercer Landmark had a very successful 2022 fiscal year and this fall has been a great start for the 2023 fiscal year. The dry fall allowed us to apply plenty of dry fertilizer, which has helped us move significantly more volume of fertilizer than we did in the fall of 2021. Our sales volume is already nearing 40% of our 2023 goal. Seed sales are tracking ahead of a year ago and service revenue is also on pace to hit a new high for the 2023 fiscal year. Success doesn't just happen. It's the result of all the hard work, long hours, and extra effort everyone has put in to make it happen. I'm personally thankful for the team we have, the dedication to providing an excellent customer experience and a focus on innovation that has helped us outpace the market and grow our business.



Success doesn't just happen. It's the result of all the hard work, long hours, and extra effort everyone puts in to make it happen.

Innovation is one of the four pillars of our business and will be a critical component to our future success. Innovation is more than the next software or technology advancement we embrace, it's about embracing ideas, taking risks, trying new things, and learning quickly from our experience. It's valuing ideas from everyone on our team and a willingness to adapt, grow and seek creative solutions for the challenges we face as a company and as an industry.

The sales team has embraced new ideas by getting out earlier than ever and locking in seed sales by taking advantage of some unique programming to drive commitments. We've embraced a new way of recording sales calls by utilizing Mercer Landmark Connect. We've started to use some of the functionality of this tool by sending informative emails to our agronomy and grain customers on pertinent topics and have built a communications plan to be sure we're providing relevant information to help our customers make informed decisions about their operation.

The operations team has focused on innovation by driving efficiency in the application and dispatch process, which has helped us cover more acres with less equipment. This improves our bottom-line performance, while keeping that excellent customer experience at the core of everything we do.

We've also embraced innovation by making our own 10-34-0. This innovative process has produced some of the highest quality 10-34-0 that some of the more experienced members of our team have ever seen.

The administrative team is always looking for ways to improve our inventory and billing process. They have worked together to share ideas and provide valuable insights regarding what process improvements can minimize errors and improve the accuracy of our inventory and billing.

The most exciting part is that **we've only just begun**. It's exciting to be a part of an organization that is committed to innovation and is constantly seeking new ways to serve our customers, improve life at work and facilitate an atmosphere of teamwork, accountability, and growth. Thank you all for your commitment to our customers, continuous innovation and making Mercer Landmark an excellent place to work.

- Greg Culp, VP of Agronomy Sales + Marketing



Welcome to the Team, Kyle McCalla New Agronomy Operations VP

Please welcome Kyle McCalla to the Mercer Landmark family! Kyle joined the Mercer Landmark Agronomy Business Unit on January 3rd as the VP of Agronomy Operations.

Kyle's passion and experience for developing people and leadership will help us ensure that the success of our second largest business unit builds off the strong performance of FY2022 and continues into the future. Kyle will be based out of the Latty office and report to Dan Recker. He will be responsible for all Agronomy operations, including location managers. Greg Culp, VP of Agronomy Sales and Marketing, will continue to oversee our Crop Production Advisors, Precision Ag and Seed Production teams.

Kyle is no stranger to agriculture and the ag retail space. He started his career at a retail feed store in

his hometown of Lancaster, OH in 2008. After graduating from The Ohio State University, he started working as a Commercial Energy Specialist selling LP to farmers for dryer gas. In 2012, he moved to Wapakoneta, OH and worked for Trupointe as a Sales Agronomist covering the Allen, Auglaize and Mercer County areas. In 2017, he moved back to his wife's hometown in Archbold, OH and started working for GROWMARK as a Crop Protection Territory Manager responsible for Ohio, Indiana and Michigan. Kyle delivered exponential growth of this business by building and maintaining excellent customer relationships and experiences.

Kyle and his wife Aubrey have a 4 ½ year old daughter, Reagan and are expecting a son this June. Please welcome Kyle and his family to the Mercer Landmark team!



HR UPDATE

New Hires - Since August 8, 2022

Zehringer, Scott | CDL DRIVER
Hardy, Brooke | ADMINISTRATIVE ASSISTANT
Sipe, Mackenzie | STAFF ACCOUNTANT/HR ASSISTANT
Strunkenburg, Braxton | ENERGIES DRIVER
Nedderman, Corey | SWINE SERVICE ADVISOR
Muhlenkamp, Mitch | PLANT OPERATIONS
Stalsberg, Emily | ADMINISTRATIVE ASSISTANT
Rutschilling, Steven | GENERAL LABORER
Backus, William | CDL DRIVER 2ND SHIFT/ 3RD SHIFT
Broering, Kelsey | DATA ENTRY CLERK
Bergman, Amber | CROP PRODUCTION ADVISOR
Felver, Jerry | GENERAL LABORER
Brunson, Tracie | MAINTENANCE LEAD
Littin Jr, Howard | CDL DRIVER
Brunswick, Sheri | ACCOUNTS RECEIVABLE
Hemmelgarn, Mark A | CDL DRIVER
Turner, Garrett | MILLWRIGHT
Fischer, Tony | CDL DRIVER
Lyle, Jeremy | AGRONOMY OPERATIONS MANAGER
Rigg, Lauren | IT SUPPORT TECHNICIAN
Shroyer, Harry | OPERATIONS MANAGER
Heyne, Mark | PLANT OPERATIONS
McCalla, Kyle | VP OF AGRONOMY OPERATIONS
Mershman, John | CROP PRODUCTION ADVISOR
Place, Jason | AGRONOMY OPERATIONS DRIVER
Tilton, Noah | CDL DRIVER

Retirements

Diana Booher | 8/31/2022 | Over 13 Years of Service
Roger Homan | 1/2/2023 | Over 40 Years of Service
Gary Norris | 1/2/2023 | Over 8 Years of Service
Donald Knapke | 1/13/2023 | Over 15 Years of Service
Phyllis Rutschilling | 1/27/2023 | Over 13 Years of Service
Mark Homan | 2/10/2023 | Over 45 Years of Service

Recruitment + Referral Bonuses

We have several open job postings. Encourage family, friends, previous coworkers, etc to come and work for us. Reminder: Employee referrals (if hired FT) are given \$250 when the candidate has been employed for 90 days and an additional \$250 when the candidate has been employed for 1 year. To apply: mercerlandmark.com/careers

HR Help Desk

In an effort to streamline the process for HR questions and concerns, we have created a help desk. Please send all HR inquiries to hrhelp@mercerlandmark.com.

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For more info, contact
Yvette Fuelling at
yvette.fuelling@bankaffirst.com

-Marissa Gibbons, Director of Human Resources

THE IT CORNER

When I first stepped into an IT role with Mercer Landmark in 2019, the job in front of me was almost unimaginable. It was obvious that major changes needed to be made to accomplish everything that we wanted to achieve to bring our Cooperative up-to-speed to meet the challenges we all face. No one person could take on these tasks alone – which led to seeking out partnerships to fill the holes.

This mission led to the development of an incredible partnership with Wabash Communications. In the initial conversations we had, they brought several innovative solutions to some of our largest problems. Wabash provided a locally-supported solution to dramatically improve our network infrastructure, as well as our internal phone system. Since starting this project in late 2019, our partnership has grown stronger – including hosting wireless equipment on several of our facilities and jointly building a tower at our Glenmore location that serves our internal needs, as well as allows Wabash to work with new customers in an under-served area.

Working together – whether with our partners or our team – is critical to our success, and when we lean into that, there is no problem that cannot be solved.

-Adam Farmer, Chief Technology Officer