



## Getting to Know Geoff Chinnock, Morrison & Company Principal

Geoff Chinnock has been a principal at Morrison & Company since January 2011. He joined the company in February 2007.

Geoff, a certified public accountant, is skilled in short- and long-range planning, cost controls, systems improvement, and finance and accounting efficiency. He has served several Morrison & Company clients as an interim Chief Financial Officer.

Geoff previously worked in the finance and accounting department of Feather River Hospital in Paradise, California, part of the 18 hospital Adventist Health system. There he played an integral part in the hospital's financial management; Geoff previously served with local and regionally based CPA firms, providing advisory, tax, audit, and financial services to independent business clients.

### Here's a little more about Geoff:

**Family:** Wife Joelle, children Jake (5), Abby (3) and Caleb (1)

**College Major:** Accounting

**Favorite Hobby:** Recreational trap and target shooting

**Dream vacation destination:** Canadian Rockies

### Best part of working at Morrison & Company:

The variety of projects and people we work with. Always changing, always challenging, always learning, and always teaching. I get to use and develop skills in so many ways that have nothing at all to do with accounting.

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## Seeking Energy Solutions with Biomass Working Group

Millions of tons of biomass are left after America's crops are harvested but few commercially viable uses have been developed. At a time when the country is seeking alternatives to traditional energy sources, could this untapped supply be the answer?

Biomass Working Group, LLC, was organized as a multistate effort to find biofuel and other commercial uses for residues from corn, wheat, soybeans, and other major crops. Morrison & Company was engaged to research potential uses, determine markets for related products, research the availability and readiness of technologies to produce possible products, and determine the financial viability of producing such products.

Completed in December 2011, the project explored technologies and markets for biomass feedstocks (e.g., pellets), cellulosic ethanol, syngas, coal substitutes, biopower, and activated carbon. We also assessed crop residue availability and sustainability (e.g., how much crop residue can be removed without interfering with good agricultural practices), storage and transportation issues, regulatory drivers, and available government programs.



Brent Morrison with bio-oil  
made from wheat straw

Biomass Working Groups' founding members operate in South Dakota, Kansas, Indiana, Nebraska, and Illinois; significant participation and funding was provided by National Farmers Organization and the South Dakota Farmers Union. To assist with the technical aspects of the project, Morrison & Company engaged and managed the assistance of private technology companies and researchers, universities, and the US Department of Energy's Idaho National Laboratory, our major partner for technology assessment.

While much progress has been made in alternative energy technologies, significant challenges remain. It is possible to make bio-oil, ethanol,

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syngas, biodiesel, coal substitutes and other products from crop residues: the trick is to do so economically and in sufficient quantities to justify the cost of needed technologies and infrastructure.

Aside from the technological issues, the collection, harvest, storage, and transportation of both biomass feedstock and finished products is a major challenge. Crop residues are typically left in the field rather than brought to a central location as the result of processing as with rice hulls, nut shells, fruit pits, and other byproducts of processing. Suitable and economically viable methods of gathering, storing and handling are critical to any effort to use crop residues in large volumes.

Silica content, moisture, minerals used in crop production, and other factors pose problems for many applications. For example, a major Midwest power company we consulted has tried several coal substitute products made from crop residues and is working to overcome issues with ash, the chemical composition of the residues, regulatory issues, dust, water absorption, flowability, energy output, and other factors that currently make such products less efficient than coal.

There are also bright spots. For example, we had wheat straw and prairie hay tested with technologies to make bio-oil and torrefied fuel pellets developed by Mississippi State University. While not yet economically viable without government support, the bio-oil can be further processed into syngas, ethanol, and other products as technologies advance.

Ultimately our findings indicated a workable business model with the potential to provide both badly needed alternative energy sources and additional income for growers. We look forward to future collaboration with Biomass Working Group to help make this a reality.

## San Miguel Produce and Nishimori Family Farms: Innovation In Produce

Cut `n Clean Greens is the leading grower and processor of conventional and organic cooking greens in the United States. The company has developed proprietary processes to provide fresh, pre-washed, pre-cut salads, salad mixes, and ready-to-cook greens that have set the standard for the industry. Serving markets across the United States and Canada, Cut `n Clean offers 19 varieties of greens, including a seasoning blend that takes the guesswork out of flavoring cooked greens. Cut `n Clean products are sold in convenient clam shells that keep them fresh and clean.



Roy Nishimori and Jan Berk own San Miguel Produce of Oxnard, California, the company behind "Cut `n Clean Greens." They also operate Nishimori Family Farms with Roy's cousin Steve and his wife, home of the "Jade" brand of specialty ready-to-cook Asian vegetables.

Nishimori Family Farms has developed proprietary technologies to clean and dry delicate Asian vegetables, allowing them to be sold pre-washed and pre-cut for the first time. Jade offers several varieties of bok choy plus dau miu, gai choy, gai lan, and other vegetables that are cleaned and dried using proprietary vacuum cooling processes and other methods. Jade also offers a stir fry kit that includes mixed greens and a seasoning kit. The Jade brand, which was launched in June 2011, is the first and only ready-to-cook line of Asian greens. It is aimed at consumers who love fresh Asian foods without the hassle of preparation.

Morrison & Company has worked with San Miguel and Nishimori Family Farms to develop feasibility studies, business plans, and USDA grant proposals to assist with the introduction and expanded marketing of several new products. Learn more about the companies at [www.cutncleangreens.com](http://www.cutncleangreens.com) and [www.jade88.com](http://www.jade88.com).



# *The Way We See It:*

## **Finding the Right Bank**

Good banking relationships have always been important but rarely more so than in this unsettled economy. We have seen several successful, financially sound companies struggle to secure loans and other services that would have routine just a few years ago due to nervousness about the economy, recent regulatory actions, or "orders from on high" that on-the-ground bank personnel have to live with.

We also see a lot of dedicated bankers who are committed to providing top notch services. Even among those, though, not all may fit your needs. Here are a few things to consider:

1. Take an inventory of the services you need. Most businesses need checking, lines of credit, and term loans, but do you have international transactions? What automated services do you need? Do you have a significant expansion planned? What are your cash management needs? A full assessment of your current, foreseeable, and desired banking needs is a good first step.
2. An understanding of your business and industry is important. Challenges arise when a bank isn't familiar with what you do; a client that is a large grower-owned cooperative recently dropped its new bank because it could never understand the company's equity structure, impacting their lending limits. Repeatedly explaining the fundamentals of your business gets old and makes a good relationship difficult to maintain.
3. Consider both your current and long term needs. Can your bank handle your growth and other reasonably foreseeable needs?
4. Find out how decisions are made and where. Local banks can be nimbler than larger institutions but that's not always the



case. We recently helped a client with a situation in which several larger banks were able to make lending decisions faster than the local bank our client initially preferred. Don't jump to conclusions based on size.

5. If your needs go beyond the basics, have one point of contact that can guide you through the maze. A company we currently work with deals with several divisions of their bank – and no less than a dozen different people. When we need to know who to talk to, we call "June." If you have a question you don't want an 800 number, you want "June."
6. Fees, rates, and costs are always important but we list them last for a reason. A fraction of a percentage point on interest won't seem like much if it takes two weeks to find out who you need to talk to and another two weeks to get an answer. Bargain hard on rates and fees, but look for overall value for your interest and fee dollars.

Choosing a bank is not fun, but fight the urge to make a quick decision without considering all critical factors. Don't be afraid to shop around from time to time to make sure you're getting good value, but it's much less disruptive to get it right the first time.

## Morrison & Company Tidbits:

- Morrison & Company Consultant Stacy Kennedy and her husband Jason welcomed their first child into the world February 25, 2012. Cody Jason Kennedy was 9 pounds, 15 ounces and 20 inches long. Congrats Kennedy Family!
- We've moved! We outgrew our office and as of April 1, 2012, now call 10 Landing Circle, Suite 5, Chico, CA 95973 home. Please update our address in your records. Our phone number and email addresses remain the same.
- Morrison & Company has had a busy few months traveling for conferences around California. In March, Principals Brent Morrison and Geoff Chinnock attended the Agricultural Council of California/CoBank Annual Conference in La Jolla, California. Geoff had a chance to chat with conference speaker and NBA Hall of Famer Bill Walton.
- Morrison & Company Consultant Toni Scott is the new President of the Chico Chamber of Commerce Young Professionals Organization. Toni was formerly the Vice-President of the group and remains active in the Butte County Young Farmers and Ranchers as well as Leadership Farm Bureau.



Stacy Kennedy with  
Cody Jason Kennedy



Geoff Chinnock with Bill Walton

*We specialize in Planning & Feasibility,  
Interim Executives, Special Projects, & Grants*

## *Join us for our 10th Anniversary celebration!*

*We are hosting a 10th Anniversary celebration **Wednesday June 13, 2012** from 4:30 p.m. to 6:30 p.m. in honor of Morrison & Company's ten years in business. The event will be held at our Chico office, 10 Landing Circle, Suite 5, and will include appetizers and wines featuring many of our clients' products. RSVP today to Toni Scott at [tscott@morrisonco.net](mailto:tscott@morrisonco.net)*