

# Self-made scientist puts weight on animals

By DAN PILLER  
dpiller@dmreg.com

Bob Riley admits he's "scientifically challenged." When he bought Feed Energy of Des Moines two decades ago, his college philosophy degree didn't give him a clear path to make the agribusiness successful.

But Riley set out to convert Feed Energy into the company it is today.

The company's fatty acid feed ingredients are consumed by about 35 million of Iowa's 52 million egg-laying hens, and by substantial portions of Iowa's 19 million hogs and 4 million cattle.

Feed Energy's additives, extracted from soybean and corn oil, help add weight to animals.

"We add the calories to the feed for animals," he said.

## 'He's a dedicated conservationist' in the red-meat industry

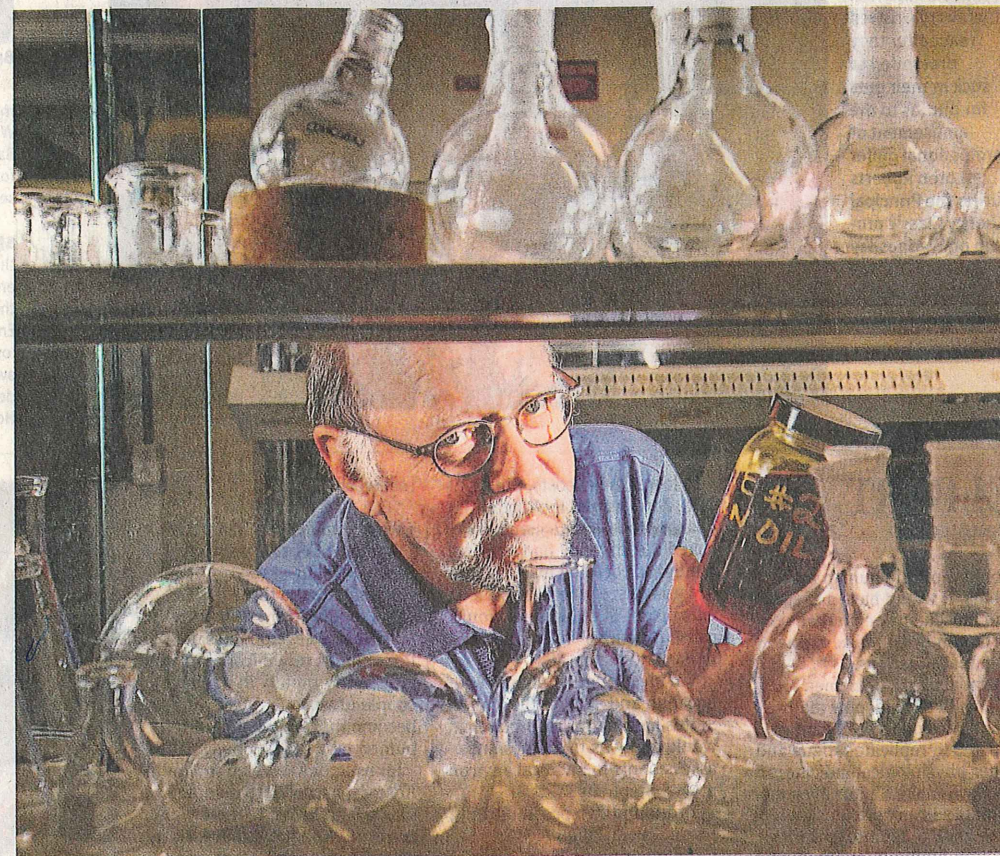
This year, Ernst & Young named Riley, 62, as a finalist for its Entrepreneur of the Year Award. Along with receiving business recognition, he's developed a reputation for walking and talking with environmentalists who might otherwise stereotype Riley as one of the bad guys of the fatty red-meat industry.

"Bob is a hard-nosed businessman, and if you saw what his primary business is you might classify him differently, but make no mistake about it, he's a dedicated conservationist," said Tolif Hunt, executive director of Whiterock Conservancy in Coon Rapids.

Riley is a member of the Iowa Environmental Council, Water for Iowans, the Nature Conservancy, Whiterock Conservancy and the Des Moines Water Works.

Two years ago, he won the Individual Environmental Stewardship Award from Metro Waste Authority in Des

## A 'scientifically challenged' philosophy major leads a successful D.M. maker of livestock feed additives



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Bob Riley, 62, chief executive of Feed Energy Co. of Des Moines, checks a corn-oil product in the company's lab.

Moines.

The award was "based on his lifetime commitment to bridging the gap between agricultural and environmental interests, and for his advocacy of environmentally sustainable agricultural practices."

Riley's environmental activities are more than a sidelight.

"I have to be able to talk to people on both sides of

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## Entrepreneurial tips from Bob Riley

- **Be useful.** Be a servant leader, with the emphasis on servant. If you're helpful, employees and customers will look up to you.
- **Know customers and suppliers better than they know themselves.** Anticipate their needs. Go beyond the transaction. This is not just selling.
- **Explode the cliché of quality.** Focus on the whole supply chain and let the customer know the entire process and history of your service.

## RILEY

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issues," he said. "One thing I have discovered is that you have farmers and livestock people on one side and environmentalists on the other and they can't communicate with each other. Everybody wants to vilify each other but they don't know why."

## Self-taught scientist takes over business

Twenty years ago, Riley's background at National Byproducts Co. gave him a basic knowledge of rendering byproducts from animal fats.

"Feed Energy was up for sale, and at that time was strictly an animal feed company," Riley recalls. "I did about six months of spade work to figure out what could be done with it and then took the plunge."

He began to make the rounds of trade shows and scientific meetings, soaking up new information. He read voraciously about oils, additives and processes.

"For years, about the only things I read were scientific journals," Riley said. "It was fascinating to me, and maybe because I didn't have the academic background I was able to absorb more new information."

Riley said he thinks that because he approached some scientific questions more from a lay perspective than a professional insider, he has been better able to absorb questions and controversies that have dogged his industry.

Riley has also experienced the ups and downs of the biofuels markets. Feed Energy was an early adherent to biodiesel and for a while pegged hopes on the market for glycerin, a byproduct of biodiesel production.

But biodiesel is sluggish now, awaiting federal action on resumption of tax credits. The glycerin market is terrible, Riley said.

Feed Energy has lessened the ups and downs of such cycles by diversifying into different product areas such as industrial uses and dust suppression. The diversification isn't finished; Riley said he hopes to add five business lines in the next five years.



JOHN GAPS III/THE REGISTER

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— Bob Riley, chief executive of Feed Energy Co., as he shakes a test tube to check the separation process in the company's lab

## Ingredients add fat and flavor to meat

For cattle and hogs, Feed Energy's ingredients add the intramuscular fat — as opposed to the adipose fat that hangs on the belly — that gives meat its taste.

"The pork industry has gone too far in taking the fat out of the meat," Riley said. "Fat gives meat the taste."

While Iowa's cattle and hog producers are emerging from three tough years, Riley is grateful that they didn't reduce their herds as did livestock producers in other states. That helped preserve the basic animal feed market for Feed Energy, which has 12 employees and is located on Dean Avenue in east Des Moines, across the street from the Iowa State Fairgrounds.

Riley doesn't have to be told that the red-meat industry is caught in the crossfire of a rising debate about the health of fatty

red meats.

"Don't get me started on the health issue," Riley said. "Do you think for a minute that it's the farmer or the livestock producer that makes people fat?"

Still, Riley is no blind defender of modern-day agriculture.

"Agriculture is more productive than ever," he said. "But we're mining our topsoil. We have to figure out how to be as productive as we are, but without stripping the land."

He has become an example of how people in agriculture are often not what they appear to be.

How many animal-feed moguls have as a cell phone ringtone the opening riffs from Grateful Dead's "Ripple"?

"Great stuff," Riley said as he shut off the ringtone when a call interrupted a discussion. "I'm not sure I'm a real Deadhead, but I saw them a couple of times in the '70s."