

Sacramento Rendering

Article by Jim Harris

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Sacramento Rendering President Michael Koewler attributes his company's longevity to one main factor. "Our management group is committed to a company philosophy that puts customers first," he says. "We believe that if we provide good service to a customer, then they will grow and we will grow along with them."

The Sacramento, Calif.-based company, which also operates a plant in Turlock, Calif., is celebrating its 100th anniversary this year. While Sacramento Rendering's basic function hasn't significantly changed since Koewler's family co-founded it in 1913, its techniques and reach have evolved greatly. The company has grown from strictly being a local business to one serving both northern California and northern Nevada.

In addition to the two plants in California, Sacramento Rendering also operates a collection in Reno, Nev., from which it ships a portion of the meat and poultry byproducts that it then recycles. The company recycles animal fat and other byproducts into tallow and grease oil that is used in products including soap, seed, biodiesel fuel and other lubricants. "We provide a basic commodity to businesses that then tailor the commodity to products they make," Koewler says.

JUMPING HURDLES

Koewler describes the rendering industry as highly cyclical, as the prices of commodities regularly rise and fall based on trading activity. As prices waver, renderers must in turn adjust their own pricing, Koewler says.

Other challenges Sacramento Rendering faces are related to the ever-increasing water quality and air pollution standards regulated by its home state. Several of these standards are dictated by the California Global Warming Solutions Act, which requires businesses to reduce greenhouse gas emissions. Sacramento Rendering is meeting these requirements in part by upgrading its equipment fleet and upgrading its equipment to reduce emissions as well as mitigate odors.

"California is one of the most regulated states in the country," Koewler notes. "There are hurdles a company in California needs to manage as opposed to a less regulated state."

However, the company's location near a number of food processing centers and meat and poultry producers ultimately keeps it in California. "You can have the nicest rendering plant in the world in a remote county in Nevada, but if there's no raw materials next to it, it won't be sustainable," he adds.

Sacramento Rendering is able to navigate changes in the market through its use of high-quality equipment and focus on customer service. "The only way you can lessen the impact of commodity trading in this business is to provide excellent customer care. It will separate you from your competitors," he adds. "Even though our company is smaller in size than some, we can compete against larger companies because we're on top of the market in terms of seeing business trends. We hold onto our share of the customer base by offering exceptional service and experience."

Koewler says the company's size and family owned nature give it a level of responsiveness many larger organizations can't match. "Because we're not a large company we don't have to go through many steps to get things done," he says. "This allows us to be quick on our feet for our customers."

A POSITIVE ENVIRONMENT

Koewler credits Sacramento Rendering's employees with much of the company's success. The company invests heavily into training and development programs to build its workers' skills.

"Whether you work in sales or here in our rendering facility, the goal is to be responsive and creative when it comes to enhancing our service," he says. "Our training programs are aligned with that philosophy."

The majority of Sacramento Rendering's employees have been with the company for several of its 100 years. "The average term of employment here is 13 years," Koewler adds. "We don't have a lot of turnover, and we believe that indicates that we're treating our employees with respect and providing a workplace environment where they like to work."

