

John Cross: It's about people things



"Keep it simple, think straight, and talk straight."

So says John Cross, former CEO and president of Philom Bios, at the ABIC 2010 Public Forum September 12th at TCU Place in Saskatoon.

Tall, lean, and instantly recognizable with his shock of white hair, Cross delivers the Philom Bios story in a warm brogue, engaging the audience with charm and wit.

The home-grown biofertilizer company Cross led is credited with creating the world's first commercial phosphate inoculant, and the world's first combination phosphate and nitrogen inoculant for pulse crops, developed here by "bright, young kids." Cross says the Philom Bios story proves the business of biology works.

Born in Cheshire in the UK and raised in Wales, Cross trained as a chemical engineer at the University of Bradford in England and immigrated to Canada in 1963. He continued his education with an MSc at the University of Western Ontario before joining the Food Research Division of John Labatt in Saskatoon, where he worked from 1965-75. In 1975, he became a founding director of POS Pilot Plant Corporation (now POS Bio-Sciences). Five years later, he began building Philom Bios with partners George Khachatourians and John Schaw.

Collaborations with Agriculture & Agri-Food Canada, NRC-PBI and POS helped Philom Bios develop JumpStart, a product based on *Penicillium bilaii*. The naturally occurring soil fungus grows on plant roots and makes residual soil phosphate readily available for crop uptake. The company developed superior strains of *Rhizobium*, the symbiotic bacteria that allow legume crops to fix nitrogen from the air. They combined the two technologies into the world's first multi-action inoculants: TagTeam.

JumpStart and TagTeam generate, on average, 3:1 net return per acre. In 2003 this meant a net increase in profit of \$30 million for prairie farmers. JumpStart is sold today to 250,000 farmers in 19 countries and applied to over six million acres. Philom Bios won numerous awards, including three SABEX Awards in 2002, for Marketing, Growth and Expansion, and Business of the Year, and was selected as one of the 50 Best Managed Companies in Canada in 2005.

Philom Bios became one of the world's most successful inoculant companies and was purchased in 2007 by the Denmark-based multinational Novozymes. Cross says the success of the acquisition is due to a corporate culture that values customers, shareholders, staff and community.

"If you have integrity, that's all that matters; if you don't have integrity, that's all that matters," he says.

Personal connections made with investors from around the world also helped gain financing for Philom Bios. Cross tells of a group of Honk Kong investors that came to Saskatoon for meetings. It happened to be Chinese New Year, and Cross and his wife Charlotte hosted a party for the group at their home, which Charlotte had decorated with a giant paper Chinese dragon. Cross credits Charlotte, who passed away in 2008, with keeping his ego in check and his feet on the ground.

Perseverance, along with an ability to accept change and adapt to new situations is crucial in business, according to Cross. Philom Bios was put to the test in the early years, when it struggled to secure financing,

and lost every single field trial in 1988 due to severe drought. Fortunately, Western Economic Diversification Canada and the Province of Saskatchewan provided funding to carry them through.

Paraphrasing W. Edwards Deming, Cross quips, "Change is mandatory. Survival is optional. Choose wisely."

Change demands innovation. This doesn't necessarily mean creating something brand new, Cross notes, but taking what exists and applying it in a new way. He cites the example of Henry Ford developing the assembly line that made the automotive industry viable, after seeing a conveyor belt system used in the meat packing industry. He says people who change the world are those paying attention, with their eyes open to possibilities and willing to take chances.

"When we change the way we think about things, the things we think about start to change."

Cross says a pet peeve is hearing people say "That's not my job"

He laughs: "What if Michelangelo had told Pope Julius II 'I'm a sculptor, not a painter?' or, 'I don't do ceilings?'"

Over the course of his career, Cross was a member of the National Research Council of Canada and the National Biotechnology Advisory Committee, and Chairman of the Saskatchewan Research Council. He was a founding board member of the Advanced Technology Training Centre at SIAST Kelsey Institute, and of Ag-West Biotech (now Ag-West Bio).

Even in retirement, he remains active on numerous boards, including the Royal University Hospital Foundation, Saskatchewan Research Council, Genome Prairie, POS Bio-Sciences, API Labs, and MPT Mustard Products and Technologies Ltd. He serves as Chair of Saskatoon Regional Economic Development Authority (SREDA). He has won numerous awards in the agbiotech and business community, including Canadian Entrepreneur of the Year for the Prairie Region for Science and Technology; the first Saskatoon Chamber of Commerce Agri-business Leadership Award, and the Ag-West Biotech BioScience Award for Entrepreneurial Leadership and Vision. The Saskatchewan Institute of Agrologists recognized Cross with an Honorary Life Membership in 2002.

A model for aspiring business people in Saskatchewan, Cross works with budding entrepreneurs as a mentor; in 2010 he received the Raj Manek Foundation's Above and Beyond Award.

Concluding his ABIC 2010 presentation, he leaves the audience with a quirky bit of advice, at once whimsical and profound: "If you're happy, tell your face!"

1. *From SaskBusiness magazine article by Keith Moen:*

http://goliath.ecnext.com/coms2/gi_0199-5359083/Philom-Bios-comes-of-age.html

2. http://esask.uregina.ca/entry/cross_john_valentine_1940-.html