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EXECUTIVE PROFILE

Entrepreneur applies microbiology to business success: Tom Rehberger

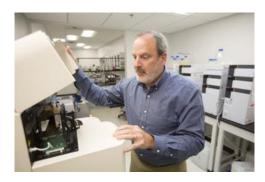
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While <u>Tom Rehberger</u> was growing up in Wauwatosa, his father Art Rehberger was using chemistry to create a major new product called Miller Lite.

"It was science applied to something practical," <u>Tom Rehberger</u> says of his late father's work.

Former Miller Brewing Co. executive Art Rehberger's example made a big impression on <u>Tom Rehberger</u>, who has staked his own reputation as one of metropolitan Milwaukee's most successful science-related entrepreneurs. Science is necessary for generating ideas but needs to drive something practical and entrepreneurial, said Tom Rehberger, who has a doctorate in food microbiology.



COTT PAULUS

Tom Rehberger ... "When you grow you don't always control where the opportunities grow."

"My colleagues at universities don't mind being published in journals," Rehberger said. "I always said: 'That's OK, but it's more fun to see your work being applied to the real world."

After a stint in the animal science department at Oklahoma State University, Rehberger (pronounced "Rayburger") joined the business world. Since 1993, he founded and sold two companies for a combined total of \$117 million.

Rehberger's most recent exit was the largest ever for a company started at the Milwaukee County Research Park in Wauwatosa and likely one of the largest in the metro area the past two decades, said <u>Guy</u> Mascari, the park's executive director.

Rehberger was the largest shareholder and a co-founder of Agro Biosciences Inc., which in May was sold for \$75 million to the parent company of Arm & Hammer. The deal includes a potential \$25 million earn-out.

Rehberger is a rare combination of entrepreneur, business executive and scientist, Mascari said.

"What's unique about Tom is you have a very keen business mind with a very keen scientific mind," Mascari said.

Then there's his knack for introducing the right product at the right time.

Rehberger invents products that help food manufacturers compete in the growing consumer space for natural, clean-labeled and fresh foods.

When Rehberger, 58, co-founded Agro Biosciences with Mark Biebel in 2013, their plan was to focus on the human health aspects of probiotics. However, Agro Biosciences also developed a probiotic solution that met the needs of the poultry industry just as companies like Perdue Farms were phasing out antibiotics in chicken feed and hatcheries.

"We wrote a fresh business plan and that opportunity grew so quickly," Rehberger said. "When you grow you don't always control where the opportunities grow."

Biebel was chief financial officer at Rehberger's previous venture, <u>Agtech</u> Products in Pewaukee, which sold to Denmark's Danisco A/S for \$42 million. Biebel continues to be amazed at Rehberger's understanding not only of how to apply microbiology to products but also his work ethic and his business acumen.

"You would think that someone would take his foot off the accelerator," after selling a business, said Biebel, whose title is now business director. "That hasn't been the case. He's still as driven and focused as he's ever been."

At the time Agro Biosciences became part of Arm & Hammer Animal Nutrition, Rehberger's group was moving from the Milwaukee County Research Park to larger quarters in Pewaukee. Agro Biosciences spent \$1.3 million remodeling and equipping the former <u>Agtech</u> facilities, which Rehberger still owns, for the newer company.

The Pewaukee office, lab and microbial production facility has 40 employees and will record revenue of about \$18 million this year, Rehberger said. He and his team must reach ever-increasing revenue goals for Agro Biosciences' investors to attain the \$25 million earn-out.

One way that is likely to happen is via Arm & Hammer's international reach. Agro Biosciences mainly sold its products in the U.S.

While Rehberger leads research and development on microbial solutions for livestock feed in Pewaukee, he also will travel overseas to meet with business partners and prospective customers. His itinerary the rest of this year includes France, Australia, New Zealand, India and China.

Rehberger's business attorney, Dan Galligan of Milwaukee, has no doubt his client will succeed as part of the Arm & Hammer team.

"The area he's in is just absolutely smoking hot right now — anything organic and natural," Galligan said.

As all-encompassing as Rehberger's current role is, it's not his only venture.

He is an investor but not involved in day-to-day activities at Third Wave Bioactives at the Research Park. The company is developing microbial solutions for the food and pet industries.

After Rehberger and his wife, Carolyn, purchased a waterfront home on Green Bay near Sister Bay in Door County, he bought an abandoned and very overgrown farm property across the road and launched Hidden

Acres Farm a few years ago. There, he and his staff grow produce they sell to six Door County restaurants. They also grow hops for <u>Door County Brewing</u> in Bailey's Harbor, where Rehberger is an investor and provides tech support for the yeast program.

Rehberger is excited about a berry called aronia he has begun cultivating that has high-antioxidant qualities.

"We've got two-and-a-half acres of aronia," he said. "That's part of the future."

TOM REHBERGER

Title: Director of innovation and product development

Company: Arm & Hammer Animal Nutrition

Education: Doctorate in food microbiology and bachelor's degree in biological science from lowa State

University

Family: Wife, Carolyn; four adult children and five grandchildren

Age: 58

Residences: Wauwatosa and Liberty Grove (Door County)

Companies founded: Agtech Products, Agro BioSciences, Third Wave Bioactives, Hidden Acres Farm **Non-business activities**: Rehberger was a top high school cross country and long-distance track runner and still participates in races including half marathons. He returned to his alma mater, Wauwatosa East High School, as boys cross country coach for 16 years ending in 2013. He also enjoys time spent with family at his Door County home.

What frustrates him about Wisconsin's efforts to grow and attract tech-related businesses: "If you really look at what's driving the economy of southeast Wisconsin, it's about agriculture. It's about food, it's about beer, it's about dairy — it's about all of those things. I never understood this 'Let's try to be Research Triangle II.' That's not going to happen here."

Rich Kirchen Senior Reporter *Milwaukee Business Journal*

