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Compeer Financial and Iron Comps Partner for Innovation in Appraisal

Do you struggle with efficiently aggregating multiple sources of regional equipment data to get accurate, real-time appraisals?

Leverage Big Data to Drive Innovation

Compeer Financial is at the leading edge by leveraging big data to drive innovation at one of the largest credit institutions in his industry.

The Challenge

Mike Morris, VP of Appraisal at Compeer Financial, was challenged to lead and innovate Compeer Financial's appraisal efforts when it was formed in 2017 from the merger of 1st Farm Credit Services, AgStar Financial Services, and Badgerland Financial. His mission was to provide innovative solutions to better their client, America's farmers and rural America.

"In Compeer's pursuit to provide the best possible service to our farmers, we knew we had to be continually looking to improve and innovate. One of the first challenges that I had running the appraisal group, real estate and chattel appraisal, was, 'How do we tap into this massive source of data throughout the Midwest?'"

Through their evaluations, Compeer discovered their appraisers knew the local market well, but due to limits on time, access, and ability to compile information, they were not able to go outside of their market to gather data.

"We knew there was a lot of data available. We just weren't as comprehensive as we needed to be. [There are] several regional sources that are really good, but nobody was aggregating the data."

Compeer Financial was looking at this daunting challenge of being able to source data from a wide geographical area efficiently. There is so much information out there from so many different sources that it became very difficult to keep up with sourcing quality data while simultaneously using that information for appraisals.

The Opportunity

Compeer's opportunity to improve was to search for a solution that provided a consistent source of data that wasn't specific to one auction. Mike understood that to be innovative, his team couldn't rely on the past methods.

It was in this search for the solution that Mike's deep industry knowledge was key. He understood that standardized data was key to his team's appraisal success, especially data that can be sorted by time and location.

"It was essential that we have that single source that aggregated the data to use in our evaluations. In the past, if someone went into a website on a Monday and got information for a specific tractor or combine, then someone went out a month later, that data might be completely different. Coming from a real estate background, my bias is toward having actual market data."

The Solution Search

Compeer put out a request to potential vendors asking them to aggregate the massive amount of data, organize it, and bring it back to provide value. It had to be robust, accurate, and transparent.

"We didn't want a black box answer. We didn't want to push a button to get a value. We were already really good at [getting that value] ourselves. We needed a way to put the data in our own hands efficiently and then let our trained chattel appraisers make the determination of the final value using that data."

Mike understood that innovation can occur in any area of the business. He took proactive steps to reach out to progressive companies who push the boundaries of what is possible, which is where he met up with Iron Comps.

"We met Mike through a mutual friend who was also in the ag-tech space who knew Mike was forward-thinking and looking for a better solution to an age-old problem," stated Jeremy Hewitt VP of Sales at Tractor Zoom and Iron Comps.

Mike's drive for innovation didn't stop with finding a partner. Clearly communicating the expectations of the work to be done set the bar for his internal team and everyone involved outside of his team as well.

"We really challenged the Iron Comps team to make enhancements along the way. Things that help us do our jobs better and to innovate in the future. Iron Comps has been very responsive to our requests. They work closely with our team to make changes and improvements. Some of them being made in real time!"

The Results

Two of the biggest benefits of Mike's transformative approach are access to robust data and time.

"Our travel evaluators used to spend a lot of time looking for data, scrubbing it, analyzing it, getting it into spreadsheets where then it was finally usable. I would say they probably spent as much as 40 or 50% of their time in that process. What Iron Comps has allowed us to do is push that process back to [Iron Comps]. Instead of us having to follow up on every individual auction, we can do our own internal validation studies to say, 'Yes, the data you are getting matches what we see out in the country.'"

"Iron Comps has provided time savings for Compeer, taking us out of the data research process. Now my team can focus on what they are very good at and leave the rest to Iron Comps."

An open mind to new partners, deep industry knowledge, and persistently expecting high standards has resulted in saving Mike's team time and allows them to focus on the work they enjoy and where they excel. This approach is also providing more innovative solutions and value to Compeer's customers. While this is reason enough to invest in an innovative approach, the work with Iron Comps is just getting started towards their continued digital transformation journey at Compeer Financial.

"Iron Comps has also helped us standardize our data set compared to where we were before. An appraiser in Illinois might be using a different set of data than say someone in Minnesota or Wisconsin. So now they all have access to the larger set of data, which is so much more robust and comprehensive compared to what we dealt with before."

An Open Mind Leads to Innovation in Appraisal

Mike Morris, VP of Appraisal at Compeer Financial, is leading by leveraging big data to drive innovation at one of the largest credit institutions in his industry. His history in financial institutions, his hall of fame stature in the Illinois Society of Professional Farm Managers and Rural Appraisers and previous 10 years at the helm of the Illinois Coalition of Appraisal Professionals may conjure up images of an industry veteran sitting at a big desk in front of a sign saying, "This is the way we've always done it." This couldn't be farther from the truth.