Role of the private sector in the agricultural machinery cluster and the PPD’s impact on the balance sheet

Roger Jordi, Export Manager, Agric Bemvig, SA.
Agric Bemvig

- Company founded in 1961 for the purpose of manufacturing and marketing agricultural equipment and livestock installations.

- We have large industrial premises, provided with the latest production systems:
  - Area of 30,000 m²
  - 12,000 m² occupied by buildings and fitted out with machinery, numerical-control systems, robots, etc.

- Largest catalogue range in Spain

- 70 employees
Our value chain

Universities and Technical centers, Agronomist Association, Maqcenter

Agric Bemvig: Manufacturer
- Design
- Raw material transformation
- Assembly
- R&D

Local distributors
Distributor country A

Distributor country Z

FEMAC, Ministry of Agriculture, Chamber of Commerce, other public institutions
Company performance

Agricultural division export sales in 2010:
45% turnover
What is bigger, cost or benefits?

<table>
<thead>
<tr>
<th>Costs</th>
<th>Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sharing confidential information with competitors</td>
<td>University projects: Value chain improved through IPF (Intelligent Pig Feeder)</td>
</tr>
<tr>
<td>Getting exposed to direct competitors</td>
<td>Jobs: Retained 3 employees during an economic downturn</td>
</tr>
<tr>
<td>Investing 10-15% of management time</td>
<td>New markets: example, ‘99 in Mexico (4% increase in sales)</td>
</tr>
<tr>
<td>Spending fix membership fee of 500€ + 34,500€ (trips, partnerships, hourly costs)</td>
<td>New product development: paper mulch (in process)</td>
</tr>
<tr>
<td></td>
<td>Technological center (‘Maqcentre’): new measurement system for tractor hitching</td>
</tr>
</tbody>
</table>

Ten years of collaboration have been very profitable and innovative. Our FEMAC membership goes on…