

## NAMPO 2018 REVIEW



# FINDING SOLUTIONS TO AGRICULTURAL PRODUCTIVITY WOES

Low growth, volatile energy prices, environmental concerns, rising expectations from consumers – these are some of the complex challenges the crop production industry is facing today, along with diminishing production profit margins. To grow the food South Africa and Africa needs, NAMPO 2018 provided an array of solutions to help address one of the farming community's urgent needs – raising productivity and production. By *Munesu Shoko*

**T**he southern African community is concerned about finding urgent responses to food security, or rather, to upping productivity and production. Increasing productivity – in the face of an array of challenges, including climate change and resultant droughts and poor yields – is central to finding a long-term solution to the agricultural crisis in the region, and the continent at large.

Andre Steenkamp, GM at Goscor Earth Moving (GEM), agrees that the farming community is battling many challenges. "The agricultural community has battled severe droughts in various parts of the country and the water shortage is going to increase due to changing weather patterns," says Steenkamp. He adds that this is compounded by the uncertainty around the land appropriation without compensation policy. He is of the view that this needs to be addressed as a matter of urgency to ensure food security. "90% of the farms are



At Nampo 2018, Smith Power Equipment showcased a wide range of agricultural solutions.

operated on future capital, and if there is no equity in the land, how will current or prospective farmers farm," he says.

Tim Beningfield, product marketing manager at Bell Equipment, says input costs are increasing at a higher rate than the revenue generated from agricultural operations. "There is also uncertainty on land reform policies and crime remains a challenge, from the theft of assets (from produce to pumps) to murders," he says.

At this year's NAMPO Harvest Days, the premier agricultural show said to be the largest of its kind in the Southern Hemisphere, several exhibits from the supply chain were geared at finding solutions that can help farmers raise their productivity significantly, and get the better of the myriad of challenges contributing to low production capacity, which is so persistent in the region.

Tom Bloom, GM at Smith Power Equipment (SPE), says 'Precision Farming' was the buzzword at this year's show. Precision agriculture is one of many modern farming practices that make production more efficient. In South Africa, the grain sector faces undue pressure to produce profitably at export parity prices. In an effort to sustain profitable production, producers need to use the latest technology available – from seed to chemicals and mechanisation to training, including precision agriculture. It's a case of maintaining a competitive advantage in a competitive global agricultural market.

"Farmers are looking at ways to make every part of their farming activities as profitable as possible, and they are starting to question how capital equipment can also add value to their operations before they make any buying decisions," says Bloom.

### Important show

Bloom says NAMPO is an important event on the agricultural community's calendar, which brings together buyers and sellers in one place. "It is a perfect platform for us to showcase some of our newly launched solutions to the agricultural community. This helps them make informed decisions when considering investing in equipment and solutions that can help increase productivity," he says.

"I believe that we need to be visible and especially in a fast-changing agricultural market which is mechanising rapidly. I feel this is the right place to show farmers and the broader public alike, that Bell Equipment is not just about mining and construction," says Rickus Erasmus, sales representative at Bell Equipment. "NAMPO is an excellent platform to showcase many of our products that perhaps don't have direct links to agriculture but could also fill gaps that farmers may have encountered."

To remain competitive, farmers are looking at innovative equipment solutions to survive. At this year's show, Bell's product range focused on lowest cost per tonne solutions, specifically through improved fuel burn (from 10 to 20% reductions over previous models), and increased servicing intervals (for example, from 250 to 500 hours). "Our recently introduced F-series Tri-wheelers and Kobelco excavators that were on display at NAMPO exemplify this principle," says Beningfield.

"Our stand drew significant enquiries and visitors felt it offered great value for money. However, the Kamaz Dakar rally truck attracted a great deal of attention and further reinforced Bell Equipment's

### QUICK TAKE

Increasing productivity – in the face of an array of challenges – is central to finding a long-term solution to the agricultural crisis in southern Africa, and the continent at large



There is a move towards compact equipment in the agricultural sector

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In these challenging economic times, it is sometimes difficult for farmers to buy new and refurbishment of equipment is a viable alternative

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Bell Equipment's product range focused on lowest cost per tonne solutions.



Bobcat showcased its compact prowess at Nampo 2018

decision to partner with Kamaz, a brand with strong and reliable machines, very much in line with our philosophy," adds Beningfield.

### Compact solutions

Several exhibitors reiterated the move towards versatile, compact gear in the agricultural sector. Brian Rachman, GM at Bobcat South Africa, says farmers are looking for innovative equipment solutions to survive the tide of multiple challenges working against them.

"Our compact excavator range – that can be used across applications, from trenching for irrigation, mulching between orchid rows, to pitting for timber, offers a versatile tool that can be deployed across many farming jobs, allowing cash-strapped farmers to invest in a single tool to address all their needs," says Rachman. The same can be said about Bobcat's backhoe loader range, which can be deployed for road maintenance, trenching and dam building at farms.

There were several highlights at SPE's stand this year. However, it was the launch of the new Kubota U15-3, a 1,5-tonne compact excavator that further highlighted the move towards compact gear in the agricultural sector. "The launch of the new U15-3 is very much in line with the current trends in the farming sector. The market is going towards compact equipment, and the U15-3 is a solution that speaks directly to that need," says Bloom.

With its powerful, yet smooth operation, the Kubota U15-3 is a perfect fit for farmers looking to keep a lid on their operational



LiuGong Machinery South Africa celebrated the Chinese OEM's 60<sup>th</sup> anniversary with its 856 Champagne wheel loader.

costs and get the better of space-constrained working environments. "It is the ultimate solution in confined spaces, thanks to its compact body and adjustable track width function," says Bloom.

He adds that a key feature of the U15-3 is its hydraulic track that can adjust the track width from 1 240 to 990 mm. At the touch of a lever, operators can reduce the width to allow for navigation through narrow spaces, or increase the width, for better stability. "The adjustable track width function allows the machine to go through single opening doors or to be carried in lifts, inside buildings," says Bloom. "Because of its very light weight of only 1 715 kg (with

standard steel tracks), it can also be rigged over walls."

LiuGong Machinery South Africa, which celebrated the Chinese OEM's 60<sup>th</sup> anniversary at the show with its 856 Champagne wheel loader, also demonstrated its compact prowess. Kivanc Eren, marketing director at LiuGong SA, says many of the larger earthmoving equipment units are on the verge of being considered as secondary products in agriculture, and tools such as the mini-excavator, which has a direct effect on production across several applications, will be preferred solutions at farms. LiuGong used the show to showcase its 906 mini-excavator, which is part of the



company's focus products in this market segment.

Steenkamp says GEM showcased products that can assist with relieving drought and flood effects. "The farmer can use our SANY range excavators to

build dams and also to contour new fields prepared for new crops. The machines are well-priced and their maintenance is very affordable in today's terms," he says.

### **Viable options**

Goscor Rental Company (GRC), part of Goscor Lift Truck Company (GLTC), showcased its refurbished Doosan D25S-5 forklift, saying that when times are this tough, rebuilding equipment can breathe new life into old gear, thereby creating opportunities for farmers who may be cash strapped to buy new.

"That southern African farmers are facing multiple challenges, including climate change and resultant droughts and poor yields, is no overstatement. Added to this is the lack of access to finance, which makes it difficult for farmers to acquire the capital equipment they need to run productive and profitable operations," says Lavesh Gunpath, sales executive at GRC.

As a solutions provider to the agricultural community, GRC has identified the need to offer machine rebuilding services for the full range of products in its stable, allowing customers to extend the lifecycles of their existing forklifts, or

buying refurbished or fully rebuilt units that have the same capabilities of a new unit, but coming at a much lesser price.

"In these challenging economic times, it is sometimes difficult for farmers to buy new and we have therefore made the refurbishment route a viable alternative. We established a dedicated Rebuild Centre in March 2017, which is purely focused on refurbishing ex-long term rental units," explains Gunpath. "Our refurbishment division has proven its ability to make previously used machines as good as new."

All refurbishments are completed in-house by experienced technicians and close attention is paid to the quality and long-term utility as each component receives the necessary attention to increase the lifetime. Refurbishing services span across all the forklift brands in the GLTC stable. These include Crown, Doosan, Bendi and Huxtex.

With each refurbished unit, customers get 250-hour or 3-month warranty, whichever comes first. "From the interactions we had with customers at NAMPO, many farmers showed interest in the 36-month lease-to-own option which we offer on our refurbished units," concludes Gunpath. 🌱