

Falcon Focus

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NOW YOU'RE TALKING!

I was really hoping (and was even fairly confident) that we would have the Webb-Ellis World Cup trophy safely back in South Africa for a record third time. However, thanks to a certain Kiwi (I choose to forget his name) this did not happen! So, unfortunately, the "NOU PRAAT JY" / "NOW YOU'RE TALKING" we refer to in this edition of Falcon Focus has nothing to do with the rugby! It is, in fact, this year's marketing campaign theme which follows on from our successful "Often Copied, Never Equalled / "Dikwels Nagemaak, Nooit Geëwenaar Nie" campaign. Once again, we are looking forward to receiving your support and participation and we know, from previous years, that both companies will benefit from increased brand loyalty and sales. More about this over the page!

The ARC tender was finally awarded during December 2011 and we were fortunate to receive orders for four of the seven hubs. As a result we will be manufacturing 160 Falcon Slashers and 120 Falcon Ploughs respectively. Over and above the ARC tender we have also received an order for 100 Falcon Limespreaders from a Falcon authorised dealer who was awarded a government tender. We have employed additional staff and implemented a night shift to manufacture these implements so that our normal production is not affected in any way during our peak season.

The Amazone range of implements is growing from strength to strength, with spreaders, sprayers and power harrows all doing very

well. The move to precision farming continues in leaps and bounds and Amazone remains at the forefront in providing specialised implements to ensure that they are assisting farmers worldwide to "Make Every Hectare Count". The Locust brand was designed specifically for the smallholder and the price-conscious (low-frequency) user and has found its place alongside the Falcon branding offering "JUST WHAT YOU NEED", thereby implying that this simple range offers great value for money and will do the job cost-effectively. A Locust L180 Slasher is now available (see more inside).

As mentioned in a previous Falcon Focus, the company is actively increasing the capacity of our Research and Development department and this investment is bearing fruit. The Falcon F80/350V Haymaker® has been upgraded, with the most noticeable change being the replacement of the inflatable tyres with solid agricultural ones. The Falcon F50/300 Slasher is currently undergoing extensive testing in varying terrains, from airfields to the bush to pastures, and we are optimistic that it will be available later this year. The Falcon Side Discharge Mulcher range is receiving a complete overhaul based on feedback we've received from the field and is currently being tested in both the Eastern and Western Cape. We are also developing two new ranges of implements this year, but more about this in a future edition!

2011 finished strongly, with key indicators pointing in the right direction and sales of

tractors and implements increasing positively when compared with 2010. Tractor sales increased to 7 379 for 2011 (+43% on 2010) and 2012 has all the ingredients to be another good year for the agricultural industry. According to the December 2011 SAAMA press release the predictions for tractor sales for the 2012 calendar year are between 6 500 and 7 000 units, and implement sales normally follow suit. Interest rates and exchange rates are still favourable, commodity prices are good and should remain so for a while, and as long as the rainfall is kind to us all, we can look forward to a buoyant and prosperous year. Let's make hay (with a Haymaker®, of course) while the sun shines.

Warm regards

Steve Thurtell
Managing Director



P.S. Motivation is the art of getting people to do what you want them to do because they want to do it.

P.P.S. Recognition is the greatest motivator.





THE “NOW YOU’RE TALKING” CAMPAIGN

You should have received the detailed brief outlining how the new campaign works. We are looking to build on the “Often Copied, Never Equalled” campaign of 2011, retaining a strong focus on Falcon Slashers and entrenching the leadership position of the Falcon brand while broadening the effort to include the other key brands and ranges of implements, i.e. Amazone, Locust and Votex.

We are also looking to build the partnership between Falcon Agricultural Equipment (Pty) Ltd and our dealers. We achieved good results last year and we think this team can do it again!

Communication Themes

This marketing campaign is designed to communicate to the end user how each brand is unique. The adverts have been designed to achieve maximum impact, with larger images and fewer words.



Falcon advert

“NOW YOU’RE TALKING...” is the key message for the Falcon brand. This message reminds the end user that Falcon is the leading brand and that when you buy a Falcon you don’t just buy an implement, you buy quality, service, commitment and a great reputation.

The brand message for Amazone is “Making Every Hectare Count”. This brand epitomises the advanced technology of precision farming and assists farmers to make the most of their land.

The Locust brand is “JUST WHAT YOU NEED!” if you are a smallholder, emerging farmer or price-conscious buyer. This simple range offers great value for money and will do

the job with no fuss.

We are placing half-page full-colour ads for Falcon and Amazone in key media such as Landbouweekblad, Farmers Weekly, Veeplaas and Stock Farm and a half-page black-and-white with spot yellow advert in Gauteng Smallholder for Locust.

We are looking to you to reinforce the images and messages from the adverts by building displays in your dealerships. The “display tower” features a combination of images as well as brand and campaign messages for Falcon, Amazone and Locust,

and the selection of visuals included in the display tower will be the ones that the dealer and the Falcon Regional Sales Manager agree will be most effective for that dealership.

The current range of point-of-sale items, e.g. pop-ups, bunting etc., can also be included in the display.

Dealers are encouraged to buy additional display items, which will be at cost price. A list of items, with prices, has been circulated and we are really pleased to note that orders for additional items have already been received.

Displays at Dealerships

The campaign started on 15 January 2011 and will continue until 15 May 2012. We strongly encourage you to build one or more displays during this period that feature at least one of the company’s products and/or makes use of the display material and brochures. It needs to have prominence at the dealership.



Amazone advert

Criteria for the winning display include:

- The length of time the display is in place (so it is essential to get photos through as soon as the display is complete).
- The prominence of the display (so ensure that we can see where the display is located) – we would like it to be in a key area.
- The use of the display material (preference will be given to displays with the current campaign messages included).
- The inclusion of an implement.

The **display photos** will be judged at the end of the promotional period. There will be 1st, 2nd and 3rd prizes of **R7 500**, **R5 000** and **R2 500** respectively.



First display - Ritchie Auto, Empangeni



Marketers Can Win!

Marketers will be rewarded based on unit sales. To qualify to participate in the marketer promotion outlined below a dealer must build a display (indoors or outdoors) that features at least one of the company's products and/or makes use of the display material and brochures. It needs to have prominence at the dealership. Dealers must e-mail their photos (which will need to be as high-res as possible and can be sent from smart phones) to their Regional Sales Manager. This will activate a dealer as a participant.

Lucky draws: There will be two draws (for the periods **15 January to 15 March** and **16 March to 15 May**). For each sale of a Falcon company implement (any brand) the marketer will earn an entry into the lucky draw. After the end of each period a draw will be made and a voucher for **R2 500** for the store of his/her choice will be presented to the winning marketer.

Overall marketer: The marketer who sells the most **Falcon Slashers** over the promotional period will receive a voucher for **R7 500** for the

store of his/her choice.

The marketer who sells the **most Falcon company implements** (excluding slashers) over the promotional period will receive a voucher for **R7 500** for the store of his/her choice.

Administration

A form will be circulated and marketers will have to complete and e-mail or fax it back to Falcon to qualify for the prize. The form must include full contact details and the description and serial number of each implement sold.

Please note: Tenders are excluded when determining the winners.

The Winners!

All the prize-winners will be announced at the end of May 2012. We look forward to seeing the photos and to our all benefiting from the increased sales!

JUST WHAT YOU NEED!



Locust Implements are:

- cost effective implements designed to work with older or lower powered tractors.
- easy-to-use: a few clear instructions and safety tips and you can get to work
- ideal for the smallholder, emerging farmer and price-conscious buyer

LOCUST

Available from your
Locust or Falcon dealer.
Manufactured by
Falcon Agricultural Equipment (Pty) Ltd
www.falconequipment.co.za

Locust advert

THE NEW LOCUST L180 SLASHER

You will remember that the Locust range is designed for the less frequent user and the implements are particularly suited to smallholders, emerging farmers and price-conscious buyers.

In the two years that the Locust range has been available the implements have gained a reputation for reliability and efficiency. They work well with older or lower-powered tractors and are easy to use, so with a few clear instructions and safety tips, it's no time at all before work can get underway.

Since the launch we have received many requests from our dealers for a larger, 1,8 m model to compete with both cheaper imported and locally manufactured slashers. The same design principles were used that have made the smaller Locusts such a success and it is now available!

The overall layout and construction of the Locust L180 Slasher provides sufficient strength and flexibility, with a light but strong frame, and the cutting gear utilises the technical expertise we've gained from our many years in slasher

manufacturing, but it is simpler because it is intended for less demanding applications. The L180 Slasher is suited to tractors rated between 33 and 55 kW. The cutting width is 1,8 m, with an adjustable cutting height of 15–90 mm. The cutting assembly has a beam system with two specially cranked blades. The slasher underwent the same stringent testing programme which all Falcon manufactured implements undergo, and it

came through with flying colours!

It is important to remember that the Locust L180 Slasher is not intended to be a high-volume slashing or contractor's implement. For these type of applications we recommend Falcon implements instead. The warranty has also been extended to one year on all new implements. The part number for the L180 is L0005.



The new Locust L180 Slasher



FALCON VISITS TANZANIA, KENYA AND UGANDA

Since the January 2011 edition of Falcon Focus, further visits to the countries outside of South Africa were undertaken by our National Product Manager, Ruben van der Merwe. From the end of August to the beginning of September he visited our dealers in Tanzania, Kenya and Uganda. The main objectives were to put a face to the company, to provide training on the Falcon range and to better understand the local conditions in which the implements operate. Some of the challenges these dealers have to overcome as part of their day-to-day operations include poor road infrastructure, long travelling distances, limited finance and minimal local manufacture.

In Tanzania larger farm estates (primarily sugar and rice farms) predominate and there are a large number of subsistence farmers. As we were looking to secure a dealer in this country, Ruben visited Dar es Salaam and the premises of a prospective new dealer.

The next stop was Kenya, to visit one of Falcon's long-standing dealers, Farm Engineering Industries Ltd (FEIL), which has branches in Kisumu, Nairobi and Mombasa. FEIL builds all the branch buildings



Falcon National Product Manager Ruben van der Merwe and FEIL Executive Chairman Jit Bhurji in front of the branch in Kisumu

themselves and each one is customised to meet specific industry and local requirements. FEIL also services both Rwanda and DRC using fully rigged mobile workshops.

Besides agriculture, FEIL concentrates on the construction industry, for which they build huge machines, like water bowsers and trailers. FEIL is also the dealer for Bell, Claas, Sonalika and Hyundai (among others) in Kenya. Overall, the FEIL group is very pleased with our company, the Falcon brand and the quality of our products.

The Kisumu branch has a huge manufacturing plant with 20-ton overhead cranes, a CAD department, etc. Executive Chairman Jit Bhurji gave Ruben the grand tour of this operation and informed him that the macadamia nut industry is taking off and will soon be one of the key farming industries in Kenya. At FEIL, Nairobi, they also target the sugar, tea, wheat, sisal, coffee, rice and forestry branches of agriculture.

From Nairobi it was off to Kampala, Uganda, where we have two established dealers, FEIL and Engineering Solutions (ENGSOL). Ruben commented that it is impressive to see how strongly the FEIL corporate image carries through from the branches in Kenya to those in Uganda.

ENGSOL is the Massey Ferguson and Foton dealer in Uganda, where owner Jim Middleton is in charge. ENGSOL also has rigged service vehicles to assist its customers across Uganda.

We are proud to be able to contribute to the success of these dealerships, and as more visits are planned for 2012 we will keep you updated as we progress.

BUILDING TECHNICAL EXPERTISE

AFGRI and Senwes sent representatives from their branches to us for extensive and in-depth training on the Falcon PTO transmission systems and gearboxes. Feedback from these representatives suggested that it would be extremely helpful if we could manufacture and supply a gearbox assembly toolkit. This toolkit will assist dealers to change the seals and bearings or service a Falcon gearbox. This gearbox toolkit is now in the development phase and the price and date of availability will be communicated to you through a dealer bulletin.



Representatives of the AGRI Group being trained on how to assemble a Falcon gearbox.



REGIONAL SALES MANAGERS ALWAYS ON CALL

In the unlikely event that you have a problem with your Falcon implement, don't forget that a Regional Sales Manager is on hand to help you. He will assist you in organising demonstrations and promotions at shows.

Limpopo Province, Mpumalanga and the rest of Gauteng

Isak Nel
082 443 5916

KwaZulu-Natal, Swaziland, Eastern & Southern Freestate

Hennie Van Romburgh
082 458 6243

Western, Eastern & Northern Provinces

Riël Deysel
072 650 0786

North West Province, Northern & Western Freestate & Central Gauteng

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