

Despite the economic problems around the world, growers in South America have kept up a steady demand for machinery and tractors, Martin Richenhagen, CEO and president of machinery manufacturer AGCO, told FreshFruitPortal.com.

While the company experienced a dip in sales in 2009 of around 20% in its global sales, South America, Brazil in particular, has continued to post sales growth of some 25%.


Martin Richenhagen, CEO and president of AGCO

The executive, which heads the company that manufactures Massey Ferguson brand tractors, said that in the fruit industry, Brazilian citrus growers have provided some of the firm's largest orders.

Richenhagen attributes the continued growth to increased consumption of fresh fruit and processed fruit products in China and India. Furthermore he does not expect sales of fresh products, and agricultural products in general, to decline, despite financial problems.

"Demand for farmed goods, whether it's vegetables, fruits, milk or meat will be very high for the next 100 years to come...but farming needs to be more intensive in order to feed this growing demand," Richenhagen said.

Consumers are becoming more sophisticated and want more elaborate products, he added.

"Instead of just drinking water people want to drink orange juice," Richenhagen said.

FOCUS ON INNOVATION

Looking forward, Richenhagen believes there will be more innovative technology in tractors, and harvest machinery will continue to grow in importance.

Demand for tractors that integrate traceability solutions or yield mapping, for example, will grow so that the consumer can track the treatment of fresh products and the grower can have more insight into his costs and have a more efficient harvest.

AGCO is based in the United States and exports its machinery worldwide.

Source: www.freshfruitportal.com