

Market for Grassland Equipment finds balance

PRESS RELEASE

Brussels/Grieskirchen, 19 October 2018 – Manufacturers of grassland equipment look back on a very positive market in the year 2017/2018. Due to positive developments in the prices for milk products, dairy farmers and contractors invested in their equipment. The increase of roughly 12 % was unexpected and was a challenge for the manufacturers, especially as suppliers struggled to cope with the significant increase. For the next season they expect the market to find a balance with a small decrease of 4 %, also caused by the impact of the drought in specific European regions. Another big question will be the effects of Brexit for business with the UK, the third biggest market in Europe for grassland equipment. These were the key conclusions of the meeting of the CEMA Product Group “Grassland Equipment” at Pöttinger in Grieskirchen (Austria) which brings together manufacturers of mowers, tedders and rakes. This time also the manufacturers of self-loading wagons joined the meeting, and the Product Group decided to include this product category in the Product Group “Grassland Equipment”.

For the long term, markets shall remain pretty unpredictable, due to the present instability in the world market and trade agreements. Another issue is the uncertainty of the impact of the post 2020 Common Agricultural Policy. On a world-wide scale, demand for dairy products in countries outside Europe is expected to grow. So manufacturers prepare for export opportunities, but also for agility in their organization to anticipate on the volatility in specific markets.

The CEMA Product Groups provide a platform for the leading European manufacturers of agricultural equipment. The main focus is placed on the joint assessment of the market based on dedicated statistics. Currently, 11 companies from five European countries are members of the CEMA Product Group Grassland Equipment. Prerequisite for participation is the membership in a national industry association, which belongs to the European umbrella association CEMA. More information is available at <http://www.cema-agri.org/page/product-groups-0>



Product Group Grassland Equipment met at the Pöttinger headquarters in Grieskirchen, Austria.

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CEMA (www.cema-agri.org) is the European association representing the agricultural machinery industry. With 10 national member associations, the CEMA network represents both large multinational companies and numerous European SMEs active in this sector. CEMA includes 4,500 manufacturers of agricultural equipment producing 450 different types of machines, ranging from tractors and combine harvesters to plant protection equipment and precision seed drills, and generating an aggregated annual turnover of more than EUR 26 billion. 135,000 people are directly employed in the sector, with a further 125,000 people working in distribution and maintenance.