

# Grain growers hope for another heavy harvest

**NIGEL AUSTIN**

THE ability of wheat and barley plants to grow in near drought conditions is expected to produce a surprisingly large grain crop of close to 8 million tonnes this year, despite little rain across most of South Australia since late July.

Unique Grain Management managing director Mark Thiele said he estimates an 8 million tonne crop as grain yields and quality have been pleasantly surprising so far this harvest.

"This year has highlighted the benefit of good soil moisture, modern planting technology and other methods that help crops cope with these difficult years," Mr Thiele said.

"Wheat and barley are amazing plants and technology has gone a long way to allow the state's crop to still be in the shape it is given the absolute lack of rain in August, September and October."

Mr Thiele said while it was a pity the great early yield potential had been lost, the outcome still looks promising compared to what would have been produced on the same amount of rain 20 years ago.

Wheat prices had held up very well, probably because few growers were selling this year's grain yet, while marketers are scrambling for supplies for early shipment, he said. Mr Thiele believes there is a risk that prices may drop as

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harvest hits top gear and more grain reaches the market.

The arrival of harvest has intensified competition to market the crop between about 25 Australian and international companies competing for a share of the market, a large turnaround from the heavily regulated market of the 1990s.

The competition will pit

international companies such as Glencore (more than 7 million tonnes), Cargill Australia (5-7mt), Louis Dreyfus (1-1.5mt) and ADM/Toepfer (3-5mt) against Australian companies.

They include CBH Group (7mt plus), Grainscorp (3-5mt), AGG Co-op (250,000-500,000t), Centre State (250,000-500,000t) and smaller companies such as Sturt Grain, Unique Grain and

AvantAgri Australia. Mr Thiele said that about 90 per cent of the grain crop is shipped to export markets and the rest to domestic markets for human food or stockfeed in a normal year.

"Entering such a competitive business landscape in an industry with a long and important history in Australian agriculture can be intimidating," he said.

"But we've been really encouraged by the response from growers for the pools we're offering this harvest."

"Having a singular focus on the pool outcomes with no increased trading risk or opportunity to incur losses has continued to encourage our customers."

## Law firm adds to expertise

BOUTIQUE law firm founder Jodie Bradbrook is in expansion mode after three years of flying solo.

The workplace relations and employment law firm Bradbrook Lawyers last week launched its new practice area, Family and Divorce.

Ms Bradbrook, pictured, a former in-house counsel for Telstra, said she was catering to clients who wanted "bespoke services with specialist lawyers minus the conflicts and overlaps within larger firms".

She also this month hired associate Annie Fleming and solicitor Jacqui Windsor, who will work across both practices.

Victorian lawyer Mike Hammond is a consultant with the firm.

## Choose and cook

A NEW "meet, make and eat" experience has been added to the 2015 Cellar Door Wine Festival Adelaide program for next year.

Visitors will be lured to the regions to meet producers and select their favourite produce and wines during the February event at the Adelaide Convention Centre. Armed with their choices, attendees then head back to the kitchen to prepare dishes with a leading Adelaide chef.

The latest program was launched last week with a list of food and wine master classes including with special guest wine author and educator Matt Skinner.

Next year's festival is expected to host a record number of participants with more than 170 South Australian wineries, breweries and food producers representing 15 regions. Iconic SA winery Penfolds plans to host tasting master classes.

## Flinders on track

FLINDERS Mines says it is on track to complete a feasibility study of its Pilbara Iron Ore Project within eight months.

The Norwood-based company is pushing ahead with planning a new \$3.3 billion joint venture mine, port and rail project in the Pilbara region of Western Australia despite low iron ore prices.

Its quarterly report, published yesterday, said it had \$5.2 million in cash and would conduct a drilling campaign for the rest of this year.

Flinders said work was on budget and completion of the feasibility study "remains on target at the end of June 2015".



WELL POISED: Peter Sweeney is selling Horwood Bagshaw after reviving the famous brand.

## Reaping the rewards after 176 years

**NIGEL AUSTIN**

THE lone survivor of the Australian agricultural machinery industry from the 1830s, 176-year-old Horwood Bagshaw, is for sale.

Owner Peter Sweeney has put the famous business on the market after resurrecting it since buying it in 1998.

Mr Sweeney bought the ailing business after recognising the strength of the Horwood Bagshaw brand and the potential of two of its products, a seed drill/cart and a grader scraper.

He had originally become involved when asked to produce a report on its future for then owner FAI Insurance.

The seed drill/cart was perfectly placed to capitalise on the new cropping era and the drive towards minimum-till farming.

Sales of the seed drill/cart soared as Horwood Bagshaw captured 15 per cent of the Australian market as direct drilling was rapidly adopted, while its grader scraper came into its own in the irrigation sector.

Mr Sweeney has consolidated Horwood Bagshaw into a diversified agricultural machinery manufacturer and contract engineering business.

From its head office at Mannum and an Ilha site, a steady stream of products are produced for sale through more than 80 dealerships across the country.

"It has become a good business with 25 employees, numerous subcontractors and annual sales of \$11 million," said Mr Sweeney, who managed bushmen's outfitter RM Williams until its sale to Ken Cowley and Kerry Stokes.

"Farmers like Aussie brands, but the product must be good for them to buy it. We build our machines so they are more reliable and solid than those of our competitors."

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Mr Sweeney said he is selling because he has turned 67 and it is time to hand the company to another enthusiastic owner, as it is nicely poised for the next phase of growth in the agricultural sector.

Horwood Bagshaw generates 87 per cent of its annual revenue from its tillage and seeding equipment and the grader scraper.

Mr Sweeney said he expected demand for the grader scraper would remain high due to major irrigation projects including the opening of stage 2 of the Ord River scheme, the Irrigated Farm Modernisation Program and the Federal Government's 30 Dams program.

Horwood Bagshaw is recognised globally for its reliable, durable and resaleable products and after-sales support. Many Australian farmers have owned a Horwood Bagshaw machine at some stage.

At its peak, it employed almost 500 people.

Ernst & Young mergers and acquisitions director Don Manifold said the sale was an opportunity for someone to buy an outstanding machinery manufacturer.

"It is not often investors are able to purchase a multifaceted Australian company with outstanding recognition within the agricultural industry and a longstanding history of exceptional products, services and quality systems," he said.

"A purchaser would have the opportunity to continue to build the iconic Horwood Bagshaw brand, take advantage of established dealership networks to drive new sales, and further develop synergies and cost savings through the consolidation of manufacturing sites."

Buyers will have the opportunity to buy the freehold property (excluding a section earmarked for residential development) or enter a lease to continue operations at the site.