



inform

Grimme NEWSLETTER
Spring 2012

Massive investment in production

“30th April 2009 – Contrary to the global economy crisis, Grimme Landmaschinenfabrik points a distinct sign into the future.



Ricon Factory nearing completion



Inside new Self Propelled Factory

The first investments in the new industrial site “Niedersachsenpark” are dependent on the development of the international market, ideally for the assembling of the

increasing number of self-propelled harvesters. The new area offers a good base for a more flexible reaction to the market requirements”

The company, traditionally founded in 1861, has secured the right to an 18.4 hectare industrial area within a planned expansion investment. The industrial area is in the “Niedersachsenpark” directly at the exit Neuenkirchen / Voerden from highway A1 (30 km North of Osnabrueck and 10 km from Damme).

The first two investments are now in progress. The first investment – the Grimme web factory is now up and running and producing webs for the production line and also the spare parts department. Construction began late last year and the factory is basically complete. The second investment is the construction of a new self propelled factory which is due to be finished ready for production early summer.

The headquarters of the Grimme Landmaschinenfabrik and all the departments will stay in Damme, but this step is necessary as a further extension of the factory area in Damme is not possible.



Line ends for the new production hall





Cockerill's GT Harvester at work



LAMMA 2012

Welcome

Welcome to the spring & summer edition of *Inform*. As you will see from our cover feature, Grimme continues to grow strongly with massive new investment in production capacity. 2012 marks the 40th anniversary of the first self propelled harvester to be produced by Grimme – and Ken Lang gives us a great insight to the first self propelled machine delivered in the UK.

As a silver sponsor of the World Potato Congress in Edinburgh, we are conscious of the part that innovation and mechanisation must play in the drive for increased food production globally. Grimme's contribution to innovation and quality engineering was recently marked by the presentation of the European Society of Agricultural Engineers' most prestigious award to Franz Grimme – more details in our international round-up.

Global economic turbulence and substantial increases in demand have created significant supply chain issues. The article on page 6 shows how the Company is responding to ensure that quality and delivery are not compromised in 2012.

Best wishes for a successful season,



Ralph Powell
Editor for Grimme UK

Investment In Potato Harvesting System Boosts Output And Improves Efficiency

Improvements to the potato lifting operation at R S Cockerill Farms Ltd of Dunnington in Yorkshire, means that the company can now lift packing quality potatoes on demand. As a company that also runs an established contract lifting service this increased flexibility should help to maximise profitability and improve performance.

Cockerill's is fundamentally a long-established wholesale and merchanting business with its heart firmly in agriculture, which since 1946 has also run a successful potato growing business. The company now grows 500 acres of its own potatoes with 80% going for crisping and the remainder for pre-pack as well as providing a packhouse facility for grower members. The company also stores up to 12000t on behalf of growers as well as having 6000t of its own storage.

Integral to the latest change to the business has been the purchase of a Grimme GT harvester with double Multi-Sep and picking off table as well as the introduction of several 10 box (6x4x4) bespoke Bailey potato trailers. Boxes are now taken to the field and filled directly from the harvester before returning to the packhouse, rather than being graded in the yard where soil and waste has to be dealt with in a separate and costly operation at a later stage.

The GT harvester can be made available for members if it is needed, says managing director Martin Cockerill.

With the addition of the company's existing GZ harvester, lifting output has now increased to 350t/day.



Producing a quality product efficiently and cost effectively is the main driver behind the continued success of the company despite rising costs of production and tighter margins. It is the packing side of the business that has seen the biggest expansion with output increasing from 500t/week to over 1000t/week in the last five years.

"We are always looking to minimise handling of the potatoes, as this helps to reduce damage and by improving efficiency we have been able to cut out production costs," says Martin. "The double Multi-Sep and picking off table on the GT harvester has significantly improved the quality of the sample leaving the field.

"We now take boxes into the field on our new purpose built Bailey trailers rather than bringing potatoes, soil and waste back to the packhouse. Being able to leave more of the soil and smalls in the field, saves on unnecessary transport costs to and from the field," he says. "Our washer can handle up to 15t/hr but in order to maximise the capacity of the machine we have to ensure that the quality is there in the first place.

"We want to reduce the amount of rejections from the supermarkets and we feel that our new system will help in that regard. Growers are not obliged to use our system but we will encourage it where possible."

Last year the company's mobile grader was positioned in the yard where 1000t of packing quality potatoes were processed in three days. Bringing a cleaner sample that has already been partially graded in the field back to the yard has helped improve efficiency.

"In means we can lift to order and then move fields to continue with processing potato orders," explains Martin. "Output is currently at 800-1000t per week every week of the year and we supply 60-70 outlets in Yorkshire and North Lincolnshire including the multiples such as Aldi and Lidl, as well as wholesalers, food services and niche processors."

News & Events

World Potato Congress

27th to 30th May 2012
Edinburgh. Stand S6 on level -2 of the Cromdale Hall

Cereals 2012

13th and 14th June 2012
Boothby Graffoe, Nr Leadenham, Lincolnshire

Royal Highland Show

21st to 24th June 2012
Edinburgh

Potatoes in Practice

9th August 2012
Balruddery Farm, Invergowrie, Dundee

New Grimme GB 330 Planter

The Grimme GB330 three row belt planter is undergoing extensive trials not only in the UK but also on the Continent during the 2012 planting season.





Ken Lang's Grimme Jumbo at work c1975-6



40 YEARS
SELF PROPELLED
HARVESTER

Still looking very new!

40 years of self propelled harvesting

Where are you now?

Dear Ralph,

I enclose several photographs of the self propelled Grimme Jumbo that my father George and Uncle Harry purchased in 1975. This was the very first self propelled Jumbo with bunker to be imported to the UK.

One of the photos has my Uncle Harry standing beside one of the German technicians "Mannie" who stayed with us for several weeks (days?) while sorting out a few initial problems.

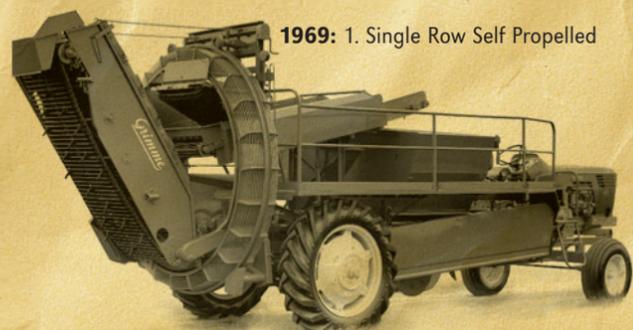
The harvester had a cab and proper canopy fitted later that season or early the next. This machine only had two wheel drive and was never retro-fitted with 4WD. The machine was purchased through Farmec (G.Reekie Group) and Pearson at Forganderry after seeing it at the Smithfield Show in December 1974 (I think!) We used the harvester from 1975 till 1985.

The summer after my father and uncle purchased the harvester, we went to Damme for a summer holiday where the Grimme family entertained my parents, George & Ruth, very generously. We were shown round the factory and I had my first introduction to German lager (aged 14).

Hopefully these photos will be of some interest to you and if you need any further information, please don't hesitate to call.

Yours sincerely,

Ken Lang



1969: 1. Single Row Self Propelled

Forty years on and the development of the Self Propelled range continues apace.

The advent of the application of tracks to the self propelled harvesters has opened up this market where stringent efforts now have to be made to leave the fields with the least amount of compaction. Great emphasis is put on the footprint of these self propelled to enhance traction and reduce soil damage in the field

but yet be mobile for road use. Developments from the Grimme trailed harvester ranges find their way into the self propelled models thus allowing these innovations to be available to all harvester users.

From potatoes to sugar beet harvesters - the range has been extended to encompass the sugar beet grower with harvesting technology from the potato world. From a different crop come different requirements. Grimme offer two bespoke self propelled sugar beet harvesters.



1974: DS 80. DS 100



1974: DSL 1700



1998: SF 150-60



1999: SF 3000



2001: SF 1700 DLS/GBS



2001: Tectron 415



2007: Varitron 200/270



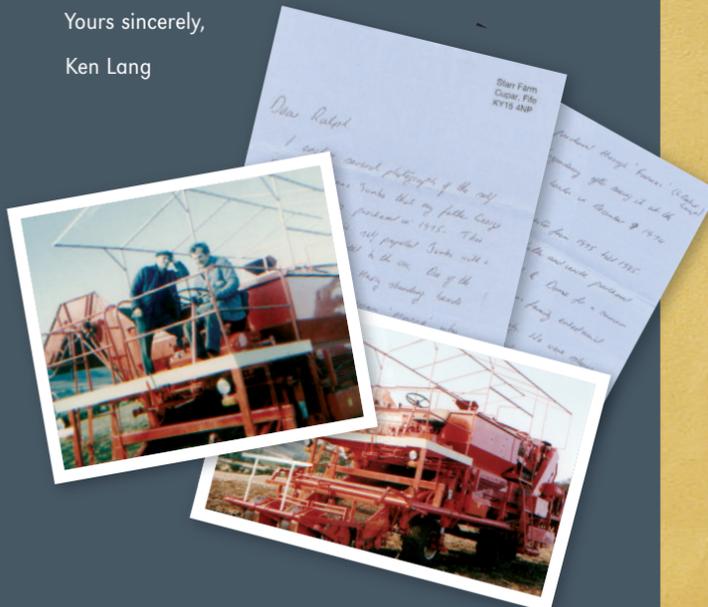
2008: Varitron 220



2009: Tectron 410



2011: Varitron 470



Grimme in 2012

2011 was a very successful year for Grimme. Sales of machinery & spares increased significantly and even exceeded 2008, the Company's best year ever. The sales prognosis for 2012 is positive and a revision of price tables in 2011 will also contribute positively to the bottom line of the balance sheet.

So, asks Richard Weiss, Head of Supply Chain Management, Grimme Landmaschinenfabrik, is all good for Grimme?

2011 was a very challenging year. Since 2009 prices of commodities have only gone in one direction – upwards. Metal raw material has risen for the past two years. Products made from natural and synthetic rubber have seen a similar price increase.

Are we aware that our customers and partners might question our pricing policy in light of delivery and quality problems in 2012?

I am aware the reasoning is difficult. Therefore it is necessary to create transparency of day-to-day work behind the scenes at Grimme and give you an insight into production and procurement business in 2011.

Electricity (+10.6%) and gas (+15.5%) have not seen the ceiling yet. They are still climbing and currently seen as the main drivers for inflation in Germany (Source: German Federal Statistics Office August 2011). Suppliers have passed on these cost increases to us and we have been forced to do the same. For rubber based parts we have seen suppliers raise prices on three separate occasions during the year.

This effect becomes more specific when we turn to our internal pricing data. We have paid on average 12% more for metal cast parts in just one year. Rubber components have risen between 11% for tyres and 13% for belts.

Looking at an average specification two row elevator harvester (GT 170) you will find only a few parts that are not made from either steel or rubber.

Our suppliers and customers, have gone the extra mile to help us

Of course, price increase is not the reason for longer lead times and delays which have affected some customers too. It's simply a consequence of scarce commodities. At a time when, like Grimme, other German manufacturers of agricultural machinery have been challenged by a boost in sales too! Although this situation, in general, has been very positive for our industry, it confronted many suppliers (tyres, axles, hydraulic valves, motors, rubber coatings, sheet metal work, frame welding, etc.) with additional volumes of more than 50%. The increase from 2010 to 2011 came rapidly with short notice. Suppliers could only react with time delay, so those short term actions were taken to survive ...just to survive.

Consequently, delivery performance in the first half of 2011 slipped dramatically. A number of important suppliers were struggling to achieve 30% on-time deliveries.

In 2011 our turnover with direct courier services increased by about 50%. Single components were shipped throughout Europe just to make sure the assembly line did not stop.

It did stop in the end, for about 20 days in total. This was happening in a year when we were certain that every additional machine built could have been sold.

In order to make sure we had enough parts for assembly and spare part business we over-planned our orders hoping to receive sufficient OEM components. One month we had to order large flotation tyres at a cost of around €180,000 as a back up because our main tyre supplier was unsure about the availability of production capacity. Extra stock was built up that we will have to finance for another 12 months.

For 2012 we have already placed orders for these critical components to secure the supply. For selected proprietary components we are already confronted with lead times of 52 weeks. The uncertainty of the global economy has only had a minor influence in our ordering behaviour in 2012 for items with long delivery lead times. Even worse than having too many parts in stock this year is the risk of having too few if our sales prediction becomes a reality. The additional quantities are just another risk we have to take on board.

Concluding my thoughts, there are aspects besides the naked facts. Our customers and partners have helped massively by allowing us flexibility with our deliveries in 2011. Our suppliers have gone the extra mile which puts us in a position to build more machines than we have ever built and last but not least, the Grimme people around the World who have tied those ends together and worked as a super team.

This year things will be better. This is not only my wish but is a philosophy at Grimme. We call this "Kaizen". We are all looking forward to your feedback whether we have succeeded.... we will stay in touch.

Grimme Genuine Webs

Studies conducted by different users, contractors and large growers, show that the real cost of genuine Grimme webs, estimated as a cost per acre worked, may be up to 50% lower than non-genuine alternatives.



The webs for all Grimme machines are designed and built in house by Grimme. The use of top quality materials means increased durability and reliability. For example: Side and centre belts of each web are all manufactured from the same section of canvass-strengthened, rubber belting to ensure parallel running without stretching or distortion; Web bars are made from top quality spring steel with thickness carefully matched to web-pitch; the Double Knocken system protects your crop from damage and the list of innovation goes on.

The bottom line is simple – you get better performance, longer life and less downtime from genuine Grimme webs, which carry the same warranty as those supplied originally with your new Grimme machine.

Part	Price
Intake Web - 300.45719 45mm Pitch	£733.67
1st Main Web - 300.46625 45mm pitch	£1444.35
Cart Elevator Web - 200.75086	£3669.91

Grimme manufactures more than 3000 different types of web.

All hand built to the same exacting standards for first time fit and longer life and reliability. It pays to fit the best. Choose genuine Grimme replacements for your Grimme machine.



Did you know?

The **Grimme** Equipment Range Includes:

Irrigating Pumps & Reels



Receiving Hoppers & Cleaners



Combi Units



GBF Box Filler



Contact Grimme UK at Swineshead for more information about planning and installing Grimme handling systems.

Hillers





Grimme Worldwide

Prestigious Award for Franz Grimme from EurAgEng.

Franz Grimme, Managing Director of Grimme Landmaschinenfabrik, has received the 2011 EurAgEng Award of Merit at Land Technik-AgEng in Hanover. This prestigious award recognises the contribution he has made to the world of agricultural engineering. The Award was presented by Professor Peter Schultze Lammers, President of the European Society of Agricultural Engineers.

Under Franz Grimme's leadership since 1980, the Company has grown from its European roots in just 15 countries to be a global business represented today in more than 100 countries Worldwide. Exports now account for 80% of turnover and employment has risen from 350 to more than 1500 employees.

In addition to its core activities as the leading innovator in the design and production of potato and other root crop machinery, the Company has established a number of very successful subsidiaries including Internorm, which produces polyurethane parts; Ricon, which manufactures and markets webs and other parts. Provision for complete handling systems being provided by Grimme project engineering support is a further area of customer support.

In addition to being a great innovator, for example the introduction of the first tracked potato harvester in 1990, Franz Grimme has proved passionate and constant in his support for the development of young engineers through professional business-based training. He is pictured above with Christine, his wife.

The Award of Merit - Innovation into Practice, which takes the form of a cast bronze replica statuette entitled Earth Man Tool and Sky, is presented bi-annually by the European Society of Agricultural Engineers to recognise an individual outstanding contribution to commercial practice and engineering innovation.

International Events 2012

Terres en Fetes



01.06.2012 - 03.06.2012
in Arras / France
www.terres-en-fete.com

AGROSALON 2012



10.10.2012 - 13.10.2012
in Moskau / Russia
www.agrosalon.ru

China Potato Expo 2012



24.07.2012 - 26.07.2012
Huhhot, Innere Mongolei / China
www.chinapotatoexpo.com

Beet Europe 2012



7.10.2012
Seligenstadt / Germany
www.frankenrueben.de

Aardappeldemodag 2012



22.08.2012
Westmaas / Netherlands
www.aardappeldemodag.com

Grimme Technica 2012



13.11.2012 - 16.11.2012
Damme / Germany
www.grimme.de

PotatoEurope 2012



12.09.2012 - 13.09.2012
Villers Saint Christophe / France
www.potatoeurope.com

INTERPOM | Primeurs 2012



25.11.2012 - 27.11.2012
in Kortrijk / Belgium
www.interpom.be

Grimme UK Ltd, Station Road,
Swineshead, Boston, Lincolnshire PE20 3PS
T: 01205 822300
F: 01205 821196
E: info@grimme.co.uk
W: www.grimmeuk.com



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