

PRESS RELEASE

Demand for grassland equipment in reverse gear

Weak market for dairy products negatively affects investment in grassland equipment

Brussels/Bad Saulgau, 7 October 2016 - The European grassland equipment industry is experiencing a difficult year in 2016. European sales of drum mowers, disc mowers, rakes and tedders declined by 14 % during the 2015-16 season. The low price of dairy products at global level negatively affects dairy farmers' capacity to invest in new equipment. Overall, a further decline by around 4% is expected for the 2016-17 season.

Europe's leading producers of grassland equipment met on 13 and 14 September 2016 at the German company CLAAS in Bad Saulgau to discuss current market trends and expectations for the future. According to Theo Vulink, convenor of the CEMA Product Group Grassland Equipment, "dairy farmers have great interest in new equipment and technology to improve the capacity and quality of cattle feed. Unfortunately, the current income situation prevents them from investing to the degree that they want to."

On a positive note, the recent recovery of milk prices, has brightened up industry confidence for the near future. As regards non-EU markets, Canada and Asia present good opportunities for grassland equipment exports.

The CEMA Product Groups are alliances of the leading European manufacturers of agricultural equipment. The main focus is placed on the joint assessment of the market based on dedicated statistics. Currently, 9 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 under <http://www.cema-agri.org/page/product-groups-0>

-ENDS-

For more information, please contact:

Theo Vulink – Convenor of the European Product Group Grassland equipment.

Phone: +31 30604 9111

Email: vulink@fedecom.nl

Beatriz Arribas – CEMA Communications Officer

Phone: +32 2 706 81 73

Email: secretariat@cema-agri.org

CEMA (www.cema-agri.org) is the European association of agricultural machinery industry. The industry represented by CEMA includes 4,500 manufacturers of agricultural machinery. 135,000 persons directly work in this branch of business, 125,000 persons work indirectly in distribution and maintenance. The companies are mainly small and medium-sized manufacturers according to the EU definition and generated a total turnover of 27 billion euros in 2014.