

# A Special Management Report From

## *Ag Equipment Intelligence*

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# 2012 BIG DEALER REPORT

### *An Ag Equipment Intelligence Staff Report*

The “Big Dealer” report is a joint project of *Ag Equipment Intelligence* and Currie Management Consultants. This report aims to track ownership changes and consolidation trends of North American farm equipment dealers. For the purposes of this report, “Big Dealers” are considered those organizations that own and operate five or more farm equipment store locations throughout North America. This report was initiated in 2009 and is updated annually in April.

Comments, corrections and additions to the “Big Dealer” list should be directed to Dave Kanicki at *Ag Equipment Intelligence* ([dkanicki@lesspub.com](mailto:dkanicki@lesspub.com)) or George Russell at Currie Management Consultants ([GRussell@CurrieManagement.com](mailto:GRussell@CurrieManagement.com)).

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Data for this study was collected from various sources and much of it was verified by the dealers and manufacturers. This is an ongoing work. As dealer acquisitions, mergers and sales occur this list will continually change. Anyone wishing to contribute to this project should contact Dave Kanicki at [dkanicki@lesspub.com](mailto:dkanicki@lesspub.com).

## 'Big Dealer' Ranks Grow to Nearly 200

There are at least 16 more farm equipment ownership groups in *Ag Equipment Intelligence's* "Big Dealers" club than at this time last year. This signals an uptick in the pace of consolidation of North American farm equipment dealerships.

*Ag Equipment Intelligence* and Currie Management Consultants have been tracking dealer consolidation since 2009. "Big Dealers" are defined

as those ownership groups that own and operate five or more retail locations selling farm equipment.

In 2009, we estimated there were 151 of these dealerships in the U.S. and Canada. This number grew to 162 in 2010, or 6.8%. By 2011, the numbers of Big Dealers rose to 171 groups, an increase of 5.3%. During the past year, 16 additional owner groups joined the ranks of

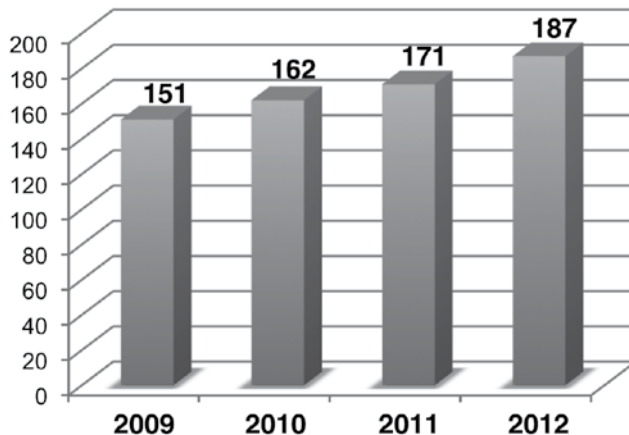
"Big Dealers," a growth rate of nearly 9% vs. the previous year, bringing the total to 187 owner groups.

Since 2009, the number of farm equipment ownership groups operating five or more stores has grown by 19.3%. "The accelerating trend of dealer consolidation is driven by two things," says George Russell, executive partner of Currie Management Consultants. "First by the manufacturers who desire increased market share and competitiveness; second, by the ambitions and fears of dealer owners and executives.

"Larger dealers who have developed a core competency in mergers and acquisitions have the ambition and skill to increase shareholder value by acquiring under-performing businesses and quickly improving their operations — they're able to leverage their human and capital resources through scale," says Russell.

"Mid-sized dealers, often with a desire to provide opportunity and security for the next generation, are reacting to the competitive market and the 'good times' by buying out their neighbors in order to match the scale and resources of their competitors."

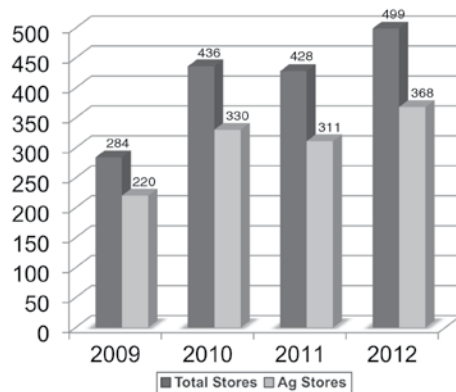
**'Big' North American Farm Equipment Dealers**



Since 2009, the number of North American farm equipment dealerships that own five or more dealer locations that sell farm equipment has grown by nearly 20%.

Source: *Ag Equipment Intelligence, Currie Management Consultants*

**Total Locations & Ag Stores Owned by Biggest Farm Equipment Dealers**



Dealership groups that own 15 or more store farm equipment stores continue to spearhead consolidation efforts among ag equipment retailers in North America. In 2009, the largest 12 dealer groups operated 284 total locations, 220 farm equipment stores and, on average, oversaw 18.3 individual dealerships. In 2010, this group of dealers grew to 16, operating 436 total store locations, 330 dedicated to ag machinery and an average of 20.6 farm equipment outlets. As some Caterpillar dealers moved away from the farm machinery business, the total owner groups operating 15 or more stores slipped to 13 that operated 428 total locations, 311 of which were primarily ag oriented. On average, these 13 dealer networks owned 23.9 stores each. By 2012, the number of dealership groups operating 15 or more stores rose to 16. These mega dealers owned 499 total locations, an average of 31.2 stores each, and 368 farm equipment stores for an average of 23 per dealer group.

Source: *Ag Equipment Intelligence, Currie Management Consultants*

### Leading the Way

Either through mergers or acquisitions, as in past years, John Deere and Case IH are setting the tempo for dealer consolidation in North America.

Four Deere dealerships joined the Big Dealer group since April 2011. In total, that amounts to 104 John Deere dealer groups that operate five or more retail locations.

Ten Case IH dealerships also became "Big Dealers" in the past year. This increases the Case IH total to 42 groups that own five or more stores.

AGCO went in the opposite direction as two Caterpillar dealerships dropped AGCO's Challenger line of ag products. At this time last year, 25 AGCO dealer groups operated five or more locations that carried either Massey Ferguson or Challenger branded equipment. This fell to 23 dealerships during the past year.

Three more Kubota dealers

joined the ranks of Big Dealers in the past year, taking its total to 14 dealerships operating five or more stores.

### Percentage Gains

Based on research by *Ag Equipment Intelligence* and Currie Management Consultants, 59% of John Deere's farm equipment dealer locations, or 915 stores, are operated by its Big Dealer groups. This is up from about 50% a year ago.

Case IH also saw significant growth in the percentage of its dealer locations that are now operated by groups with five or more stores.

Last year at this time, we estimated its Big Dealers owned 30% of all Case IH retail locations. This increased to 37% during the past 12 months.

AGCO saw the percentage of its dealer locations operated by Big Dealers slip from 30% last year to about 24% this year as some Caterpillar dealerships shed their Challenger ag machinery lines.

### Other Developments

In addition to the ongoing consolidation of North American ag equipment dealerships, other notable trends emerged during the past year. Among these are big dealers acquiring or merging with other big dealers and mega dealers expanding their reach internationally.

## North American Dealer Groups with 10 or More Ag Equipment Stores

	# Dealers	All Stores	Avg. # Stores	# Ag Stores	Avg. # Stores
Dealers with 20 or More Stores	8	327	40.9	233	29.1
Dealers with 15-20 Stores	8	172	21.5	135	16.9
Sub-Total	16	499	31.2	368	23.0
Dealers with 10-14 Stores	30	447	14.9	356	11.9
Dealers with 10 Stores or More	46	946	20.6	724	15.7

Source: *Ag Equipment Intelligence, Currie Management Consultants*

**Nearly 50 North American farm equipment dealership groups operate 10 or more stores. In total, these 46 dealers own 946 total locations and 724 farm equipment stores. On average, dealers with 10 or more store operate 20.6 total locations and 15.7 farm equipment locations.**

In the case of big dealers getting together with other big dealers, at least four significant moves by John Deere dealers in this direction were noted in the past 12 months.

On May 1, 2011, 21st Century Equipment (seven locations) headquartered in Bridgeport, Neb., merged with Kay Jan (four stores) based in Fort Morgan, Colo. In August 2011, Arizona Machinery (14 stores) acquired Central Implements' seven locations in Arizona, New Mexico and Colorado. Pape, a large John Deere and Hitachi equipment group headquartered in Eugene, Ore., acquired the five locations of Columbia Tractor in Idaho and Washington. AgraTurf Equipment Services Inc. and Elmira

Farm Service Ltd., two John Deere dealers in southern Ontario, merged to form the 10-store group now called Premier Equipment Ltd.

### International Growth

Titan Machinery, Case IH's mega dealer group with 96 North American dealer locations, this year added 10 European dealerships in Romania and Bulgaria. They follow RDO Equipment, one of Deere's biggest dealership networks in the U.S. that has operated in Russia for several years. Cervus Equipment, another of Deere's largest dealer groups, which is located throughout western Canada, also spread its wings in recent years to help streamline Deere's dealership

## North American Big Farm Equipment Dealer Groups by Brand — 2012

(Individual ownership groups may carry a range of different brands)

#Ag Stores in Owner Group	Owner Groups	John Deere	Case IH	AGCO Corp.	New Holland	Kubota
>15	15	11	2	2	1	—
10-15	31	19	2	9	1	—
7-9	68	38	13	6	3	2
5-6	73	36	25	6	10	12
<b>TOTAL</b>	<b>187</b>	<b>104</b>	<b>42</b>	<b>23</b>	<b>15</b>	<b>14</b>
Stores in Large Groups	Total Industry					
— Ag Stores*	1,632	915	353	235	157	99
— Total Locations	2,067					
<b>Average Number of Ag Stores in Group</b>		11.0	9.4	8.3	10.3	8.5
Total Stores by Brand*	7,100	1,557	950	975	1,100	1,100
% Stores in Large Groups	23%	59%	37%	24%	14%	9%

\* Not including OPE, CE or HQ locations.

AGCO Corp. includes only dealers who carry an AGCO tractor brand.

Source: *Farm Equipment Magazine, Dave Kanicki (DKanicki@LessPub.com, 262-782-4480, www.farm-equipment.com) and Currie Management Consultants, George Russell (GRussell@CurrieManagement.com, 847-219-7252, www.CurrieManagement.com)*

network in New Zealand.

More international expansion by North American dealers can be expected. OEMs are feeling pressure from their other North American

dealers who are concerned about these mega dealers infringing on their areas of responsibilities.

The OEMs also see expansion of their successful dealership groups over-

seas as a route to consolidate retail locations on other continents and to use the dealers' merger expertise to rapidly raise the quality and competitiveness of their foreign retailers. **AEI**

## Big Dealer List — April 2012

Dealer Group	Total Stores	Ag Stores	Main Ag Brands	State/Province	Dealer Group	Total Stores	Ag Stores	Main Ag Brands	State/Province
1 Titan Machinery	96	62	CIH, NH	ND, SD, IA, MN, MT, NE	43 Fillmore Implement /Finnerman's	10	10	JD	MI, IN
2 Rocky Mtn Equipment /Hammer Equipment	38	31	CIH, NH, Kubota	AB, MB, SK	44 Cazenovia Equip. (CEC)	10	10	JD	NY
3 RDO Equipment	60	28	JD	ND, AZ, CA, MN, MT, OR, SD, TX, WA	45 Premier Equipment	10	10	JD	ON
4 Romer (James River Equip./Colorado Equip.)	36	25	JD	VA, NC, SC, CO, WY	46 Riesterer & Schnell	10	10	JD	WI
5 Brandt Holdings	32	24	JD	ND, MN, SD, NE, CA	47 Thompson Machinery	10	9	Challenger	TN, MS
6 Ziegler Cat	22	22	Challenger	MN, IA, WI	48 Agri-Service	9	9	Challenger, MF	ID, OR, UT
7 Greenway	22	21	JD	AR, MO	49 Hewitt Equipment /Atlantic Tractor	22	9	Challenger, MF	QC, NA, NB, PE
8 C&B Operations	21	20	JD	SD, MN, WY, ID, MT	50 Vetter Equipment	9	9	CIH	IA
9 Plains Equip. Group /Central Implement	19	19	JD	NE, KS, AZ, CO	51 Baker Implement	9	9	CIH	MO, AR
10 Trigreen	18	18	JD	AL, TN	52 Scott Tractor	37	9	CIH, NH	AR, LA
11 Petersen Cat	40	17	Challenger, MF	CA, OR, WA	53 H&R Agri-Power	9	9	CIH, NH, Kub	KY, IL, TN, AL
12 Arizona Machinery Group	21	17	JD	AZ, CA, NV, UT, CO, NM, ID	54 Bodensteiner Implement	9	9	JD	IA
13 Sloans	17	17	JD	IL, WI	55 Arends Hogan Walker	10	9	JD	IL
14 SunSouth	16	16	JD	AL, GA	56 Midwest Machinery	9	9	JD	MN
15 P&K Equip./Green Valley	16	16	JD	OK, IA	57 Green Diamond Eq	9	9	JD	NB, NS, PE
16 Ring Power Cat	25	15	Challenger	FL	58 Gooseneck Implement	9	9	JD	ND, SD
17 HGI (NC Machinery, Tractor & Equip.)	24	14	Challenger	WA, MT, ND, WY	59 Huron Tractor	9	9	JD	ON
18 Pioneer Equipment	15	14	CIH, NH, Kub	TX, CA, ID	60 JayDee AgTech	9	9	JD	SK
19 Cervus/Agro Equip. /Farm & Garden Centre	30	14	JD	AB, MB, SK, NZ	61 Tennessee Tractor	10	9	JD	TN
20 Wagner Equipment	14	13	Challenger	CO, TX, NM	62 Atlantic Tractor	11	9	JD, Kub	MD, PA, DE
21 Whayne Cat	20	13	Challenger, MF	KY	63 Moody's Equipment	9	9	NH	SK
22 Butler Machinery	13	13	Challenger, MF	ND, SD	64 Quinn Cat	37	8	Challenger, MF	CA, AZ
23 Greensouth	13	13	JD	GA, FL, SC	65 Kelly Tractor	8	8	Challenger, MF	FL
24 Mazer Group	13	13	NH	MB, SK	66 Connect Equip. Corp.	9	8	Challenger, MF	ON
25 Quality Equipment	13	12	JD	NC	67 Kayton Int'l/Horizon West/Nebraska Equip.	8	8	CIH, NH	NE, MN, WY
26 East Coast Equipment	13	12	JD	NC, VA	68 Everglades Farm Equip.	10	8	JD	FL
27 Western States Cat	11	11	Challenger	ID, MT, OR	69 Lasseter Equipment	8	8	JD	GA
28 Birkey's Farm Stores	14	11	CIH, NH	IL, IN	70 Albany Trac/Flint Equip.	27	8	JD	GA, NC, SC, AL
29 Boston Tractor/Ag Pro	11	11	JD	AR, GA, FL	71 Barker Implement	8	8	JD	IA
30 Sydenstricker	11	11	JD	MO	72 Precision Equipment	9	8	JD	IA
31 Wade Inc.	11	11	JD	MS	73 Hutson	8	8	JD	KY
32 21st Century Equipment	11	11	JD	NE	74 SEMA	8	8	JD	MN
33 Agritex	13	11	JD	QC	75 Green Line Equipment	8	8	JD	NE
34 South Texas Implement /Tractor City	11	11	JD	TX	76 Western Equipment	9	8	JD	OK, TX
35 Ag-Power	12	11	JD	TX, AR	77 South Country Equip.	8	8	JD	SK
36 Koenig Equipment	12	11	JD, CIH	OH, IN	78 Tractor Central	8	8	JD	WI
37 Riggs Cat	10	10	Challenger	AR	79 Ahern Rental	8	8	Kub	CA, NV, UT
38 Holt of Texas Cat	25	10	Challenger	TX, AR, MO	80 Bingham	11	8	NH, Kub, AGCO	AZ
39 Lang Diesel	10	10	Challenger, MF	KS	81 Nebraska Machinery (NMC)	9	7	Challenger	NE, IA
40 PrairieCoast Equipment	10	10	JD	AB, BC	82 Kramer Cat	7	7	Challenger	SK
41 PrairieLand Partners	11	10	JD	KS	83 Empire Southwest /Iron City	25	7	Challenger, MF, CIH	AZ, CA, NM, TX
42 Goldman Equipment	11	10	JD	LA, MS	84 Staub International	7	7	CIH	KS
					85 Progressive Tractor	7	7	CIH	LA
					86 Monroe Tractor	11	7	CIH	NY
					87 Youngs Equipment	7	7	CIH	SK

Dealer Group	Total Stores	Ag Stores	Main Ag Brands	State/ Province	Dealer Group	Total Stores	Ag Stores	Main Ag Brands	State/ Province
88 Wylie & Sons	12	7	CIH	TX, OK	143 Brim Tractor	6	6	NH	WA, OR
89 Arnold's	7	7	CIH	MN	144 Swiderski Equip./Power	6	6	NH, AGCO	WI
90 Hlavinka	7	7	CIH	TX	145 Empire Tractor	6	6	NH, CIH, Kub	NY
91 Jacobi Sales	7	7	CIH, Kub	IN, KY	146 Johnson Cat	5	5	Challenger	CA
92 Stanley/West Plains	7	7	CIH, NH	ND	147 Holt of California Cat	15	5	Challenger, MF	CA
93 Martin Deerline	9	7	JD	AB	154 St. John Hardware	5	5	CIH	WA, ID
94 Legacy Equipment	8	7	JD	AR, MO	148 Future Ag	5	5	CIH	AB
95 Valley Truck & Tractor	9	7	JD	CA	149 Allied Equipment	5	5	CIH	HI
96 Blanchard Eq	7	7	JD	GA, SC	150 Sievers Equipment	5	5	CIH	IL
97 Kenn-Feldt Group	10	7	JD	IN, OH	151 Hines Equipment	5	5	CIH	PA
98 Heritage Tractor	7	7	JD	KS	152 Hooper	5	5	CIH	PA, DE
99 Enns Brothers	8	7	JD	MB	153 Redhead Equipment	6	5	CIH	SK
100 Tri County Equipment	9	7	JD	MI	155 Stoller International	5	5	CIH	IL
101 LandMark Implement	7	7	JD	NE, KS	156 Bruna Bros. Implement	5	5	CIH	KS
102 Oregon Trail Equipment	7	7	JD	NE, KS	157 Heritage Agriculture	5	5	CIH, Kub	AR
103 Z & M Ag & Turf	7	7	JD	NY	158 Ag West Supply	5	5	CIH, MF	OR
104 JD Equipment	8	7	JD	OH	159 Crown Power & Equip.	6	5	CIH, NH	MO
105 Fisher Farm & Lawn	7	7	JD	OR, WA	161 Value Implement	5	5	CIH, NH	WI
106 Maple Farm Equipment (20% Cervus)	7	7	JD	SK	160 Delta Power Equipment	5	5	CIH, NH	ON
107 B.E. Implement	7	7	JD	TX	162 MV Equipment	6	5	JD	CO
108 Green Country Equip.	7	7	JD	TX, OK	163 U.S. Tractor & Harvest	5	5	JD	CO
109 Quality Implement	8	7	JD	TX, OK	164 American Machinery	5	5	JD	HI
110 Washington Tractor	8	7	JD	WA	165 A&M Greenpower	5	5	JD	IA
111 Wm. Nobbe	7	7	JD	IL, MO	166 ICON Ag Services	5	5	JD	IA
112 Pape Machinery	60	7	JD	OR, CA, WA, NV, ID	167 Van Wall Group	12	5	JD	IA, KS, NE, IL
113 SS Equipment	7	7	NH	WA, OR	168 Campbell Tractor & Imp.	5	5	JD	ID
114 Kanequip	7	7	NH, CIH, Kub	KS	169 Holland and Sons	5	5	JD	IL
115 Ohio Cat	16	6	Challenger	OH	170 Martin	6	5	JD	IL
116 Red Power/Bancroft	6	6	CIH	IA	171 McLean Implement	5	5	JD	IL
117 Archbold Equipment	6	6	CIH	OH, IN, MI	172 Limestone Farm Lawn Worksite	5	5	JD	KY
118 Hi-Way Equipment Support Services	11	6	CIH	TX	173 Bader & Sons	7	5	JD	MI
119 Bane Equipment	6	6	CIH	IN	174 Larson Farm & Lawn	5	5	JD	MO, AR
120 Centre Agricole	6	6	CIH	QC	175 Southern Tractor	5	5	JD	MS
121 Service Motor	6	6	CIH, AGCO, Kub	WI	176 Southeast Farm Equipment	6	5	JD	NC, SC
123 Torgerson's LLC	6	6	CIH, NH	MT	177 Dakota Farm Equipment	5	5	JD	ND, SD
122 Farm Pride	7	6	CIH, NH	IL	178 Floyd A. Boyd Co.	5	5	JD	OK, CA
125 Ayres-Delta/Planters Eq.	6	6	CIH, NH, Kub	MS	179 Nelson Motors	5	5	JD	SK
124 Reuter's Red Power	6	6	CIH, NH, Kub	IA, NE	180 South Plains Impl	5	5	JD	TX
126 Horizon Equipment	7	6	JD	IA	181 Lampson Tractor & Equip.	5	5	Kubota	CA
127 Kleine Equipment	6	6	JD	IL	182 BlueLine Equipment	5	5	Kubota	WA
128 American Implement	6	6	JD	KS	183 Hobdy, Dye and Read	5	5	NH	KY
129 Green Iron Equipment	6	6	JD	ND, SD	184 E Bourassa & Sons	5	5	NH	SK
130 Lakeland Equipment	6	6	JD	NY	185 Messicks	5	5	NH, CIH, Kub	PA
131 Grissoms	6	6	JD	OK	186 St. Joseph Equipment	6	5	NH, CIH, Kub, MF	WI, MN
132 Green Tractor	6	6	JD	ON	187 Douglas Lake Equipm	5	5	NH, Kub	BC, AB
133 Les Equipment Ligue & Vielleux	6	6	JD	QC	188 Altorfer Cat	18	4	Challenger	IA, IL, MO
134 Western Sales	6	6	JD	SK	189 Warren Cat	15	4	Challenger	TX, OK
135 Hurst Farm Supply	7	6	JD	TX	190 MacAllister Machinery	7	4	Challenger, Kub	IN
136 Shoppa's Farm Supply	6	6	JD	TX	191 Aimtrac	5	4	CIH	GA
137 Ray Lee Equipment	6	6	JD	TX, NM	192 Reynolds	8	4	JD	IN, OH, KY
138 Mid-State Equipment	6	6	JD, Kub	WI	193 Hudson River Tractor	5	4	JD	NY
139 Frontier Ag & Turf	8	6	JD, Kub	WI, MN	194 Maple Mt. Equipment	11	4	JD	PA, NY, MD
140 Hawthorne Pacific	6	6	Kubota	HI, GU	195 Ag Industrial	5	4	NH	PA, MD
141 Garton Tractor	6	6	NH	CA	196 Sunshine Equipment	7	3	JD	LA
142 Unicoop Coop Agricole	6	6	NH	QC	197 Finch Services	7	2	JD	MD, PA

## Changes Among Large Dealership Groups — May 2011 to April 2012

Dealership	States	Main Ag Brands	Date	Event
21st Century/Kay-Jan	CO, NE	Deere	Apr-11	Merged to create an 11 location dealership.
A.C. McCartney	IL	Massey Ferguson	Aug-11	Acquired Kuhns Equip. of Mt. Sterling, Ill., effective November as 4th location.
Ag-Power	TX	Deere	Dec-10	Relocated to new store in McKinney, added 11th location for Lawn & Garden in Ft. Worth, RDO has CWP.
Agri-Service	ID, UT, OR	AGCO Challenger	Jan-11	Relocated St. Anthony store to new facility in Sugar City. AGCO MF in all 9 locations and Challenger in two Utah stores
Altorfer	IL, IA	Challenger	Mar-2011	Opened new store in Dix, Ill., and now have 4 dedicated ag locations (Clinton, Dix, Rock Falls, Cedar Rapids).
Archbold Eq	OH	Case IH	Sep-11	Dan's Farm Supply merged their two locations with Archbold Equipment in May then acquired Eagle Machinery of Portage, Ohio, as 6th location.
Arizona Machinery Group /Central Implement	CO, NM, ID	Deere	Mar-12	Acquired Central Implement with 7 locations.
Arizona Machinery Group/Greenline Equip.	AZ, CA, NV, UT	Deere	Sep-11	Purchased Lathrop Eq of WY and combining two locations in UT to new location in Bluffdale. 6 locations as part of 14 in the Arizona Machinery Group
Blanchard Equipment	SC	Deere	Mar-11	Acquired Guess Farm Equip. in St. Matthews, Orangeburg & Hampton
Butler Machinery	ND, SD	Challenger	Spring 2012	Opened new location in Huron, S.D.
C&B Operations	SD	Deere	Oct-11	Purchased Fred Harr Co. with 3 locations, as well as Ellefson Implement of Mitchell. Now have 20 ag dealerships and diesel pump service.
Cazenovia Equipment	NY	Deere	Aug-11	Fire destroyed headquarters for a 10-store complex that just celebrated 50 year anniversary. Planning to rebuild near current location.
Cervus Equipment	AB	Deere	Winter 2010	Now have 6 stores in New Zealand
Dean Ag Services	MO	Challenger	Spring 2012	Upon purchase of Dean Cat by Foley Cat, Dean Ag Services will continue with Challenger.
Everglades Farm Equip.	FL	Deere	Aug-11	Purchased Ag & Turf locations of Highland Tractor that will concentrate on CE & Forestry. Now have 10 locations.
Gooseneck Implement	ND	Deere	Spring 2011	Added 9th location in Williston.
Green Tractor	ON	Deere	Feb-12	Merger with Ag Nor of Earlton to create a six-store complex. This follows the 2010 merger with Greendale and Utica Equipment Services.
H&R Agri-Power	KY, TN, IL, AL	Case IH	Nov-11	Acquired Perry Brothers Tractor in Lawrenceburg, Tenn., and building new store in Tanner, Ala., 9th location in four states.
Holt Cat of Texas	TX, AR, MO	Challenger		Operate Challenger dealerships in Arkansas, Missouri and Texas.
Hoover	PA, DE	Case IH	Apr-11	Added former Chambersburg Farm Service as 5th store.
Java Farm Supply	NY	Challenger	Jan-12	Opened 3rd store in Batavia.
Jaycox Implement	MN	Case IH	Fall 2011	Acquired Mark Jacobson Inc. of Luverne, Minn., as 3rd location.
Kenn-Feld & Liechty	IN, OH	Deere	Nov-11	Combination of Kenn-Feld Group with 3 locations and Liechty Farm Equip. with 7 of which 3 are rental and consumer locations.
Lang Diesel	KS	Challenger, MF	Jan-11	Moving to new location in Salinas. Recently opened HQ in Hays to support 10 locations, with latest in Garden City
Lasseter Equipment	GA	Deere	Jun-11	Purchased Stafford Equipment with three locations; now totals 8.
Les Equipment Ligue	PQ	Deere	Aug-11	Merger of Les Equipment Ligue with 4 locations and Les Equipment Veilleux with 2 to operate a total of 6 with ag, commercial, OPE and golf.
Limestone Equipment	KY	Deere	Winter 2010	Now 5 locations with closure of stores at Gardnersville and LaGrange and new store opened at DeMossville.
Linn Benton Tractor Co.	OR	Kubota		Acquired Cascade Farm Machinery, Silverton, Ore., as 2nd location.
Maple Mountain Equip.	PA, MD, NY	Deere	Winter 2010	Now 11 locations, 4 of which are ag. Have closed C&CE locations in Beaver Valley Mall, Bellwood and St. Marys.
Martin	IL	Deere	Winter 2010	Use Martin name in lieu of Martin Brothers or Korencke Sullivan
Martin Deerline	AB	Deere	Winter 2010	Now have 9 locations, 7 of which are Ag.
Messicks	PA	New Holland, Case IH, Kubota	Mar-12	Now 5 locations with the addition of Lancaster Tractor and former Sweigart Brothers of Halifax plus recent acquisition of of Peterman Power Equipment of Carlisle, which is a full-line Kubota dealership.
Midstate Equipment	WI	Deere	Mar-12	Purchased former Schmidt Implement of Salem as sixth location.
Mountain View Equipment	VT, NY	Deere	Jan-12	Merger of Hendy Brothers and Giroux to form a 4-store complex in the Upper Champlain Valley.
Ohio Cat	OH	Challenger		Added 6th ag location.
Oregon Trail Equipment	NE, KS	Deere		Purchased 2 locations at Hebron and Superior, Neb., for a total of 7.

Dealership	States	Main Ag Brands	Date	Event
P&K, Green Valley	OK, IA	Deere	Mar-12	Purchase of 6 stores Iowa complex by 10-store Oklahoma complex.
Pape Machinery	OR, CA, WA, ID, NV	Deere	Feb-12	A Deere & Hitachi CE dealer with 60 locations diversified and acquired 2 ag stores from Tumac Machinery in Walla Walla, Wash., and Lewiston, Idaho, 5 from Columbia Tractor in Moscow, Ponderay and Bonners Ferry, Idaho, and Four Lakes and Tekoa, Wash.
Plains Equip. Group	NE	Deere	2010	Added locations in Broken Bow, Ainsworth, O'Neill and Ord plus opened corporate office in Seward. Total 13 locations in Neb/ Kan., 5 stores with common ownership in Ariz., Colo.
PraireCoast Equipment	AB, BC	Deere	Apr-12	Grand opening of new facility at Langley.
Prairieland Partners	KS	Deere	Jul-11	Added Andale Equipment with stores at Andale and Kingman. Now 10 stores and Cent. Off.
Precision Equipment	IA	Deere	Oct-11	Merger of Elder Implement with Farmers Implement, Jefferson County Equipment and Mower and More into one new entity with a total of 8 locations.
Premier Equipment	ON	Deere	May-11	Merger of AgraTurf & Elmira Farm Service to create 10-location dealership.
Quality Equipment	NC	Deere	Jul-11	Added 11th location in Carthage (former Riddle Equipment).
Riesterer & Schnell,	WI	Deere	Apr-12	Completed acquisition of Serwe Implement Co., with locations in Campbellsport and Fond du Lac, Wis., as 9th and 10th locations.
SEMA	MN	Deere	Jul-05	Added 7th location in Northfield (former Northfield Tractor).
Sloans Equipment	IL, WI	Deere	Aug-11	Purchased Timmerman Implements of Litchfield, Ill. Now have 17 locations.
St. Joseph's Equip.	WI, MN	Case IH, New Holland	Feb-12	Acquired Degenhardt Equipment of Norwalk as 5th location.
Sunshine Equipment	LA	Deere	Jul-05	Added 6th store in Franklinton (formerly Smith & Smith).
Swiderski Equipment	WI	New Holland	Jul-05	Appleton Store is now owned by Swiderski Power with other 5 stores as SEI.
Sydenstricker	MO	Deere	Jan-11	Added 11th store in Hermann (formerly L&S Equipment).
Titan Machinery	ND	Case IH	Apr-11	Purchased Schoffman's of Redwood Falls and of ABC Rental.
Titan Machinery	NE	Case IH	Aug-11	Added two single locations dealers: Virgl Implements, Wahoo, Neb., and Victors Inc., Fremont, Neb.
Titan Machinery	IA	Case IH	Sep-11	Annouces intent to acquire Jewell Implement as 90th location.
Titan Machinery	SD	Case IH, New Holland	Nov-11	Expanded to acquire 2 Case IH dealerships in Romania. Also closed on Van Der Werff Implement, Platte, S.D.
Titan Machinery	CO	Case, Case IH	Mar-12	Now 94 locations in the U.S. with the acquisition of Adobe Truck & Equipment with 3 Case CE locations in Colorado and 9 international locations in Romania and Bulgaria.
Titan Machinery	ND	Case IH	Mar-12	Closed on acquisition of two Romanian dealerships of AgroExpert.
Titan Machinery /Tri-State Implement	SD	New Holland	Feb-11	Acquires Tri-State Implement, Sioux Falls.
Tractor City	TX	Deere	Jul-05	Added 11th CWP location in San Antonio.
Valley Truck & Tractor	CA	Deere	Jul-05	Now includes Valley Tractor for 7 full line ag stores and 1 C&CE and HQ.
Washington Tractor	WA	Deere	Jun-11	Added 8th location in Poulsbo, Wash., after merger of 4 owners (Barnett, Sumner, No. Washington Implemnt and Liberty Farm & Lawn). Barnett Implement continues with 3 more locations (Yakima, Snomish, Mt. Vernon).
Young's Equipment.	SK	Case IH	Feb-12	Partnering with Midwest Tractor to add 6th and 7th locations in Davidson and Raymore.
Ziegler CAT	WI	Challenger	Sep-11	Opened new 16,000 sq. ft. location in DeForest, Wis., 3rd in Wisconsin and 22nd overall.

## Deere Dealers Aggressively Pursue M&A, While Case IH Ramps Up Its Consolidation Efforts

By breaking out the dealer groups by brand and examining those with 10 or more farm equipment stores, it becomes obvious which equipment manufacturers have been most aggressive in consolidating their dealer ranks.

As has been the case for much of the last decade, John Deere has been the most aggressive in its consolidation efforts and, as a result, it has far more dealer groups operating 10 or more

locations than the other major brands. After some initial resistance, its dealers have been most active in pursuing the merger and acquisition strategies of their mainline equipment supplier. They have, in fact, 28 of groups with 10 or more ag equipment stores, and five of these operate 20 or more locations.

Deere's largest dealer group by store locations is RDO Equipment with 28. RDO was one of the indus-

try's earliest consolidators. They're followed by the Romer group, which includes James River Equipment and Colorado Machinery, with 25 ag equipment stores. Brandt Holdings operates 24 farm equipment locations, Greenway Equipment 21 and C&B Operations 20.

In total, John Deere dealers who operate 10 or more locations own 403 farm equipment stores, for an average

of 14.4 stores per owner group.

Case IH on the other hand, got a later start in its dealer consolidation efforts, has only four dealer groups with more than 10 locations, but they operate 118 total locations for an average 29.5 stores per group. Of course, Titan Machinery with 61 ag equipment locations (96 total) skews the numbers all the way around. Then add in the 31 farm machinery locations operated by Rocky Mountain Dealerships and you have the two largest farm equipment dealerships in North America, and probably the world.

But a stronger push from Case IH to further consolidate its dealers in the

next few years should be expected. (See “Case IH Asking Its Dealers Where They Fit in Future,” *Ag Equipment Intelligence*, September 2011, p. 1.)

A dozen AGCO dealers carrying the Challenger brand with a few also carrying Massey Ferguson are listed among the Big Dealer ranks for 2012. Most are Caterpillar dealers. Some Caterpillar dealer groups that previously carried Challenger equipment have dropped the line in recent years and got out the ag machinery business altogether, which has reduced the overall number of AGCO retailers on the Big Dealer list. Only one AGCO dealership on the list, Agri-Service with

nine store locations, only carries the Massey Ferguson brand of tractors.

In the case of New Holland dealers, no significant change in the number of its Big Dealers has been seen in recent years. In fact, only one exclusively New Holland dealer group made *Ag Equipment Intelligence*'s “Big Dealers” list in 2012. That's the Mazer Group with 13 farm equipment stores in Alberta and Saskatchewan.

Likewise, not a lot of activity has been seen with Kubota dealers either. Only three dealer groups are found on the 2012 roster of Big Dealers. They are all located in the west in California, Nevada, Utah and Washington. **AEI**

## North America Farm Equipment Dealer Groups Operating 10+ Store Locations — By Brand — 2012

Brands	Locations All	Ag	Ag Brands	States/ Provinces	Brands	Locations All	Ag	Ag Brands	States/ Provinces
<b>AGCO</b>					Sloan Implement	17	17	JD	IL, WI
Ziegler Cat	22	22	Challenger	MN, IA, WI	SunSouth	16	16	JD	AL, GA
Petersen Cat	40	17	Challenger, MF	CA, OR, WA	P&K Equipment/ Green Valley	16	16	JD	OK, IA
Ring Power Cat	25	15	Challenger	FL	Cervus Equipment/ Agro Equipment/ Farm & Garden Centre	30	14	JD	AB, MB, SK
HGI (NC Machinery, Tractor & Equipment)	24	14	Challenger	WA, MT, ND, WY	GreenSouth Equipment	13	13	JD	GA, FL, SC
Wagner Equipment	14	13	Challenger	CO, TX, NM	Quality Equipment	13	12	JD	NC
Whayne Cat	20	13	Challenger, MF	KY	East Coast Equipment	13	12	JD	NC, VA
Butler Machinery	13	13	Challenger, MF	ND, SD	AgPro/Boston Tractor	11	11	JD	AR, FL, GA
Western States Cat	11	11	Challenger	ID, MT, OR	Sydenstricker	11	11	JD	MO
Lang Diesel	10	10	Challenger, MF	KS	Wade Inc.	11	11	JD	MS
Riggs Cat	10	10	Challenger	AR	21st Century Equipment	11	11	JD	NE, CO
Holt of Texas Cat	25	10	Challenger	TX, AR, MO	Agritex	13	11	JD	QC
Agri-Service	9	9	MF	ID, OR, UT	South Texas Implement/ Tractor City	11	11	JD	TX
<b>Case IH</b>					Ag Power	12	11	JD	TX, AR
Titan Machinery	96	62	CIH, NH	ND, SD, IA, MN, MT, NE, WY, CO, WI	Koenig Equipment	12	11	JD, CIH	OH, IN
Rocky Mountain /Hammer Equipment	38	31	CIH, NH, KUB	AB, MB, SK	PrairieCoast Equipment	10	10	JD	AB, BC
Pioneer Equipment	15	14	CIH, NH, KUB	TX, CA, ID	Goldman Equipment	11	10	JD	LA, MS
Birkey's Farm Stores	14	11	CIH, NH	IL, IN	Fillmore Implement/ Finnerman's	10	10	JD	MI, IN
<b>John Deere</b>					Cazenovia Equipment	10	10	JD	NY
RDO Equipment	60	28	JD	ND, AZ, CA, MN, MT, OR, SD, TX, WA	Premier Equipment	10	10	JD	ON
Romer (James River Equipment/Colorado Equipment)	36	25	JD	VA, NC, SC, CO, WY	Riesterer & Schnell	10	10	JD	WI
Brandt Holdings	32	24	JD	ND, MN, SD, NE, CA	<b>New Holland</b>				
Greenway Equipment	22	21	JD	AR, MO	Mazer Group	13	13	JD	MB, SK
C&B Operations	21	20	JD	SD, MN, WY, ID, MT	<b>Kubota</b>				
Plains Equipment/ Central Implement	19	19	JD	NE, KS, AZ, CO	Ahern Rental	8	8	KUB	CA, NV, UT
Blugreen Equipment	18	18	JD	AL, TN	Lampson Tractor & Equipment	5	5	KUB	CA
					Blueline Equipment	5	5	KUB	WA

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