

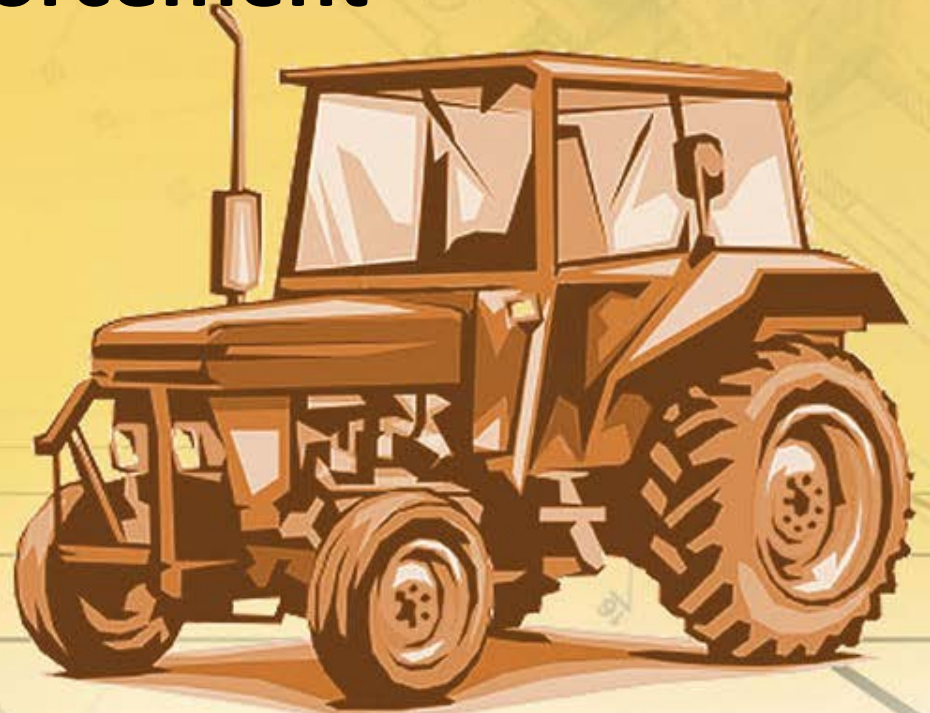


KLASTER POLJOMEHANIZACIJE D.O.O.
AGRICULTURAL EQUIPMENT CLUSTER LTD.

Structuring and developing of AEC aimed at competitiveness reinforcement

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CEO



Historical data about CAEC establishment

- Establishment of Croatian Agricultural Equipment Cluster (CAEC) - intense activity of structuring the cluster started in April 2007. within the Croatian Employers' Association, National Center for Clusters.
- The initial funding that enabled the establishment, launch and implementation of the cluster initiative were EU grants through the PRO INNO EUROPE, CEE Cluster Network project, then through funds obtained by Ministry of Economy, Labor and Entrepreneurship (MELE) and supported by financial resources of regional and local communities, respectively Osijek-Baranja County and the City of Osijek.
- In the structure phase of the CAEC in 2007 over 100 potential companies were contacted:
 - 42 companies and one research institution (members) have signed letters of intent on joining a cluster
 - 23 companies have signed an agreement on a permanent consortium



Agricultural Equipment Cluster Initiative



Registration of AEC

- **Agricultural Equipment Cluster (AEC)** was founded on 14th July 2009. and was registered with the Commercial Court in Osijek as a limited liability company under the name of Agricultural Equipment Cluster Ltd.
- Companies that have established the Cluster:

OLT d.d., Osijek

STANDARD MIO (EUROMETAL) d.o.o., Osijek

HITTNER d.o.o., Bjelovar

GRAMIP-TPS d.o.o., Dubrava

HIDRAULIKA d.d., Kutina

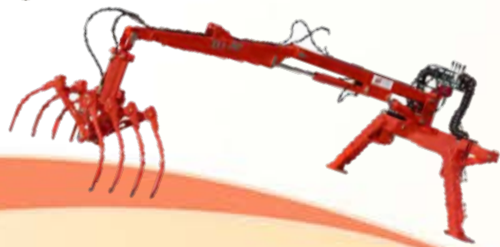
LABINPROGRES-TPS d.o.o., Labin

POD d.o.o., Dežanovac

PECKA d.o.o., Markovac Našički



Cluster members selected product range



Some logo's of the AEC members



SAME DEUTZ-FAHR



DURO ĐAKOVIĆ
STROJNA OBRADA d.o.o.
SLAVONSKI BROD - HRVATSKA



PECKA d.o.o.



Megametal



LARIOSER

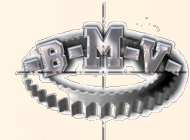


LABINPROGRES

EUROMETAL



GRAMIP



proizvodnja opruga dežanovac



LEŠKO

TANA

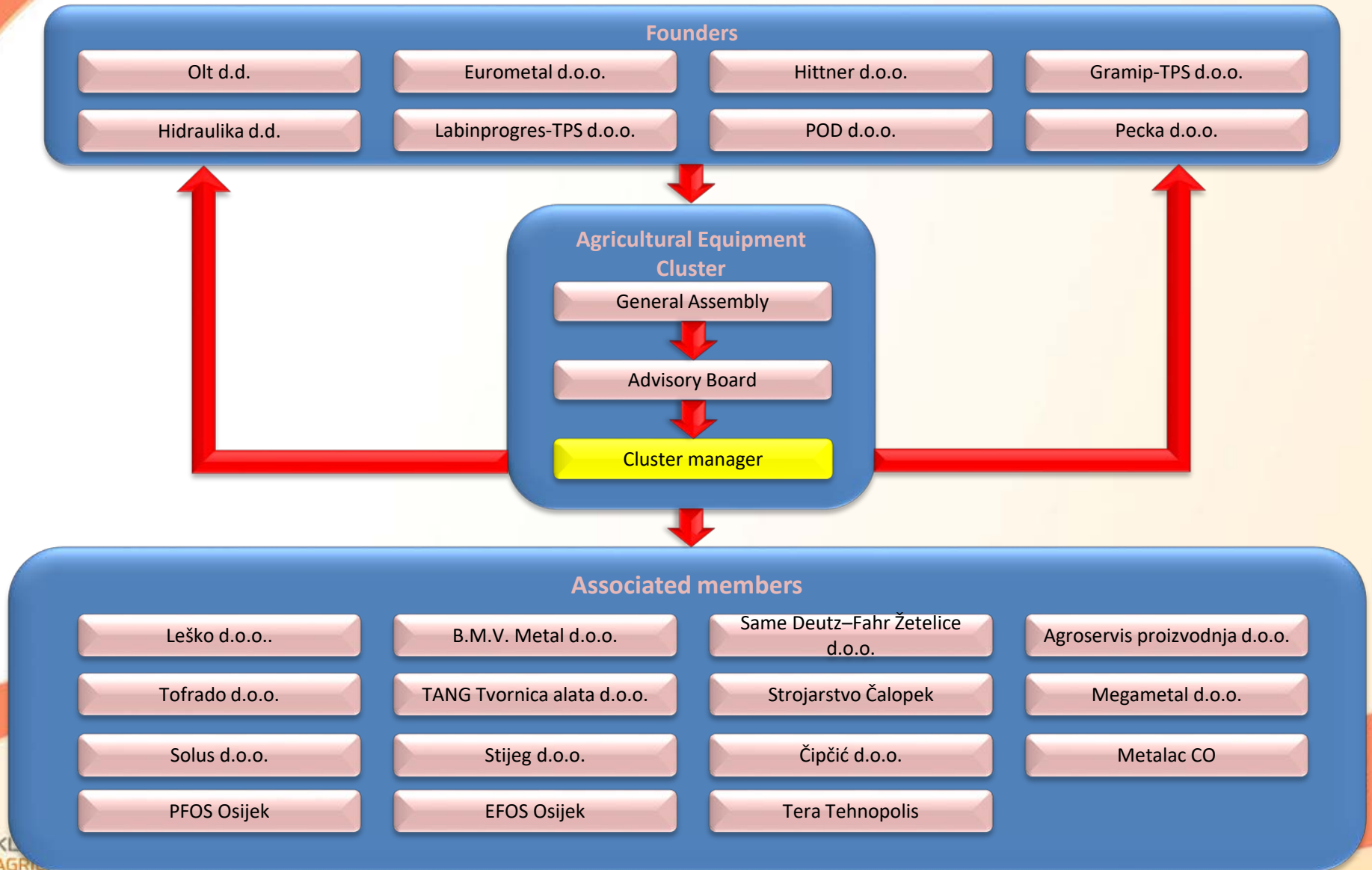


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VOJTEK d.o.o.



Organisational schematic diagram of AEC



Activities and objectives of AEC

- Activities aimed at increasing the competitiveness of the cluster members, and the cluster in general, can be categorized into six groups:
 - internationalization of business - opening new markets and finding new customers
 - improving the connectivity of the business sector (economic system), academic institutions (education system) and local and national authorities (political system) whose actions can provide a better business environment (Triple Helix)
 - research, development and innovation
 - providing training and education in terms of increasing the level of knowledge and skills of employees
 - sharing information, resources, knowledge and capacity to launch long-term sustainable development projects
 - improving business policies and procedures (standardization)
 - reducing operating costs
- Target markets and market segments:
 - Industrial and agricultural associations
 - Family agricultural farms
 - Buyers of agricultural mechanization, weekend and hobby equipment program
 - Export to the European countries with emphasis on the regional market (South East Europe) and countries of South Africa and MAGREB.



Challenges for Croatian Companies

1. Could the Croatian companies „defend” their own markets from increased competition of foreign global brands?
2. Could the Croatian companies develop strong regional or global brands?



NT + OO = EOO

Is the **N**ew **T**echnology sufficient?

New **T**echnology + **O**ld **O**rganization

=

Expensive **O**ld **O**rganization



Internationalization of business

Morocco- SIAM Fair in Meknes 2010



Signing contracts



Internationalization of business

Agritehnica Hannover



Agritehnica 2015



Internationalization of business

EIMA 2012, Bologna



Exhibition area



Internationalization of business

Agro-business Cooperation Forum between China and Central-Eastern European Countries

第八届中国 - 中东欧国家农业经贸合作论坛

The 8th Agro-trade & Economic Cooperation Forum between China and Central-Eastern European Countries

2013年9月10-14日, 中国 合肥

September 10-14, 2013 Hefei, China



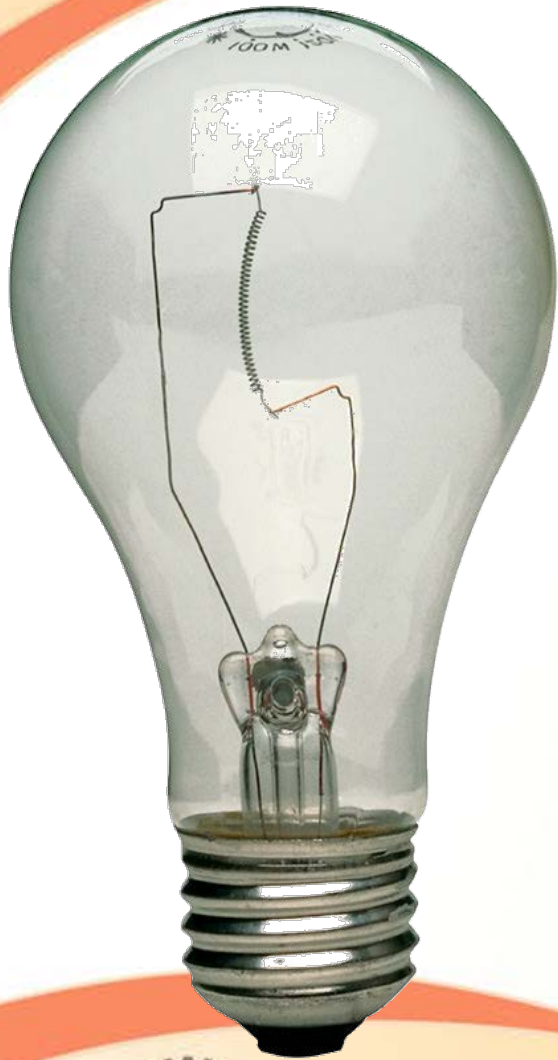
Hefei 2013



Innovations

- Innovations are an important component of success
- Constant innovations might be the reason for the failure
- Innovations are expensive, but if you do not have them it is even more expensive!



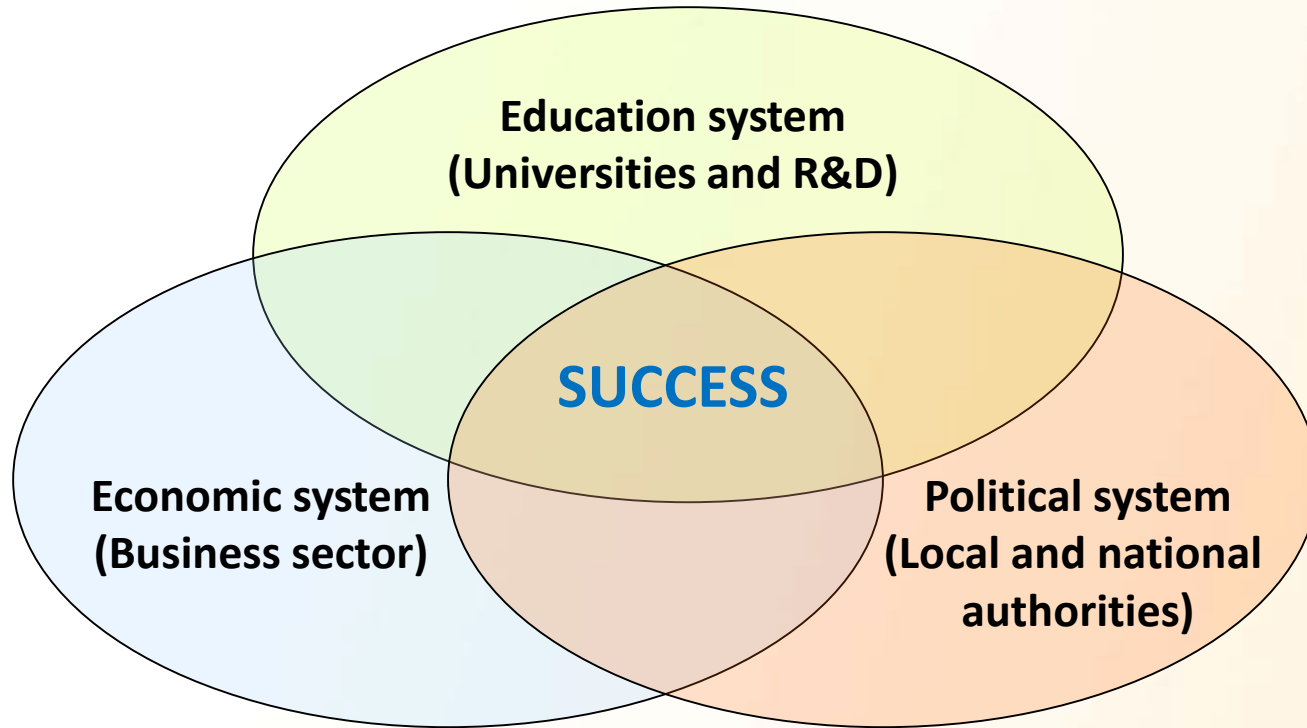


I have a good idea...but...

- *It will not pass here*
- *We have already tried*
- *It is not the right time*
- *It cannot be done*
- *That is not how we do it*
- *We're doing good without it*
- *It will cost too much*
- *Let's talk about it at the next meeting*
- Source: Jerold Panas, Linzy & Partners Inc.



Triple-Helix



- **Quadruple Helix = Triple Helix + Media-based and culture-based public and civil society**
- **Quintuple Helix = Quadruple Helix + Natural environments of society**



Standardization, training, education and networking

- In the early phase of the Cluster initiative, the project of education and implementation of quality standard ISO 9001: 2000 was transferred to all participating Cluster members that were not certified up to year 2010.
- Agricultural Equipment Cluster conducted a gap analysis of Competitive Benchmark among potential Cluster members
- Continuously carried out trainings, workshops and educational seminars to improve business communication, negotiation and sales skills for middle and top management



Standardization, training, education and networking (2)



- Agricultural Equipment Cluster was granted funds for the installation and licensing of the software package SolidWorks Professional thus providing better mutual networking, production rationalization and improvement of the business efficiency towards increased production compatibility of the cluster members in the future development of joint products
- Networking with similar clusters from different countries such as benchmarking project conducted with the Catalan cluster of manufacturers of agricultural machinery – FEMAC
- Agricultural Equipment Cluster, by networking its members through production cooperation with associated member „Same Deutz-Fahr Combines”, situated and registered in Croatia, as a global company contributed to increasing globalization of all the Cluster members.



Support for development of Competitiveness Clusters in Croatia

- Project was worth € 2.389.580,00, European Union co-funded it in amount of € 2 million and was supervised by Croatian Ministry of Economy.
- Support for competitiveness cluster development consists of four components:
 1. Designing the guidelines for the development of the competitiveness clusters,
 2. The formation of three pilot competitiveness clusters,
 3. Increasing the knowledge and skills of cluster stakeholders,
 4. Creating the program for Cluster Development Strategy implementation.
- The project lasted two years during which it carried out a series of activities that preceded the establishment of 12 sectorial clusters that were detected as sectors with high growth potential
- Agricultural Equipment Cluster played active role in the project from the very beginning as a co-founder and member of two sectorial clusters, namely:
 - Croatian Competitiveness Cluster of the Automotive Sector,
 - Croatian Competitiveness Cluster of the Food Processing Sector.



Perspectives of Agricultural Equipment Cluster in EU

- From 1st July 2013, the Republic of Croatia is a member of the EU.
- Agricultural Equipment Cluster and its members, by joining of Croatia to the EU, have got the opportunity for equal participation in the calls for the withdrawal of project grants from the EU funds for the financial perspective 2014-2020.



Awards and Certificates handed to Agricultural Equipment Cluster

By Ministry of Economy and Entrepreneurship – Best Croatian Cluster in 2011

By Ministry of Entrepreneurship and Crafts – Best Croatian Cluster in 2015



By European Secretariat for Cluster Analysis (ESCA) – Bronze Label Certificate



Awards and Certificates handed to Agricultural Equipment Cluster

AWARD FOR THE DEVELOPMENT OF ENTREPRENEURSHIP IN CENTRAL AND SOUTH-EASTERN EUROPE "CREATORS FOR THE CENTURIES" FROM INTERNATIONAL ECONOMY FORUM "PERSPEKTIVE" IN DUBROVNIK, 03.03.2018.



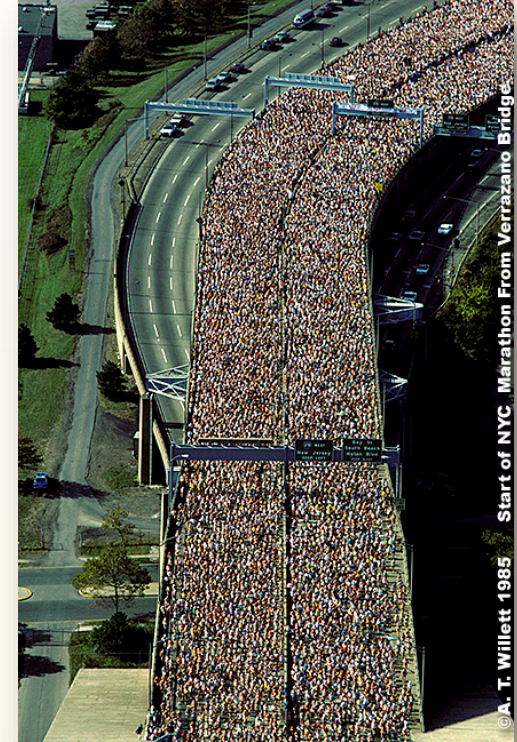
Instead of conclusion...



***“Success through cooperation
Is not just a sprint –
It’s a whole marathon”***

or

***“Coming together is a beginning;
Keeping together is progress;
Working together is success.”***



Henry Ford (1863-1947)





Beware! The competition is usually closer than you expect!





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Thank you for your attention!

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