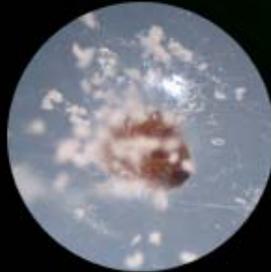
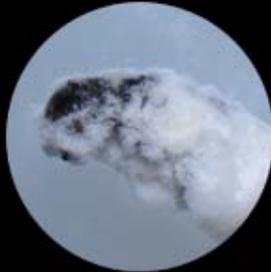
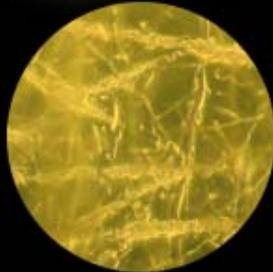




# *The South African Biological Agricultural Market*



*4th Annual Biocontrol Industry Meeting*

*ABIM – SWITZERLAND*

*October 2009*

*Andre Fox - CEO Madumbi-BCP*

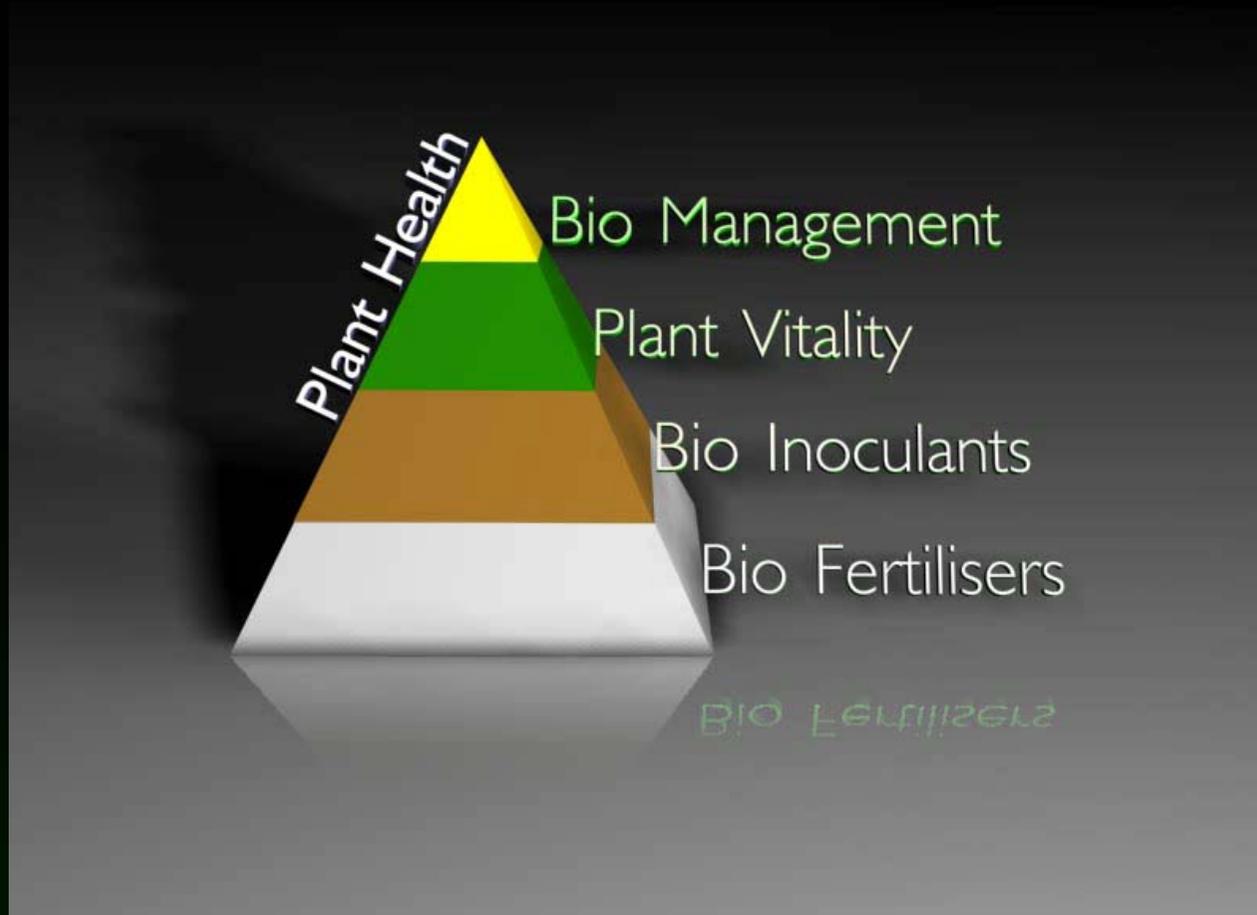
# Madumbi-bcp

32 Farms

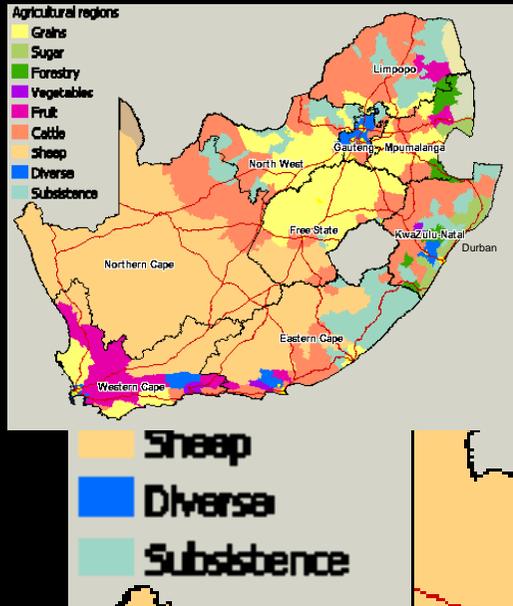


*The South African Biological Agriculture Market*

# The Holistic Approach

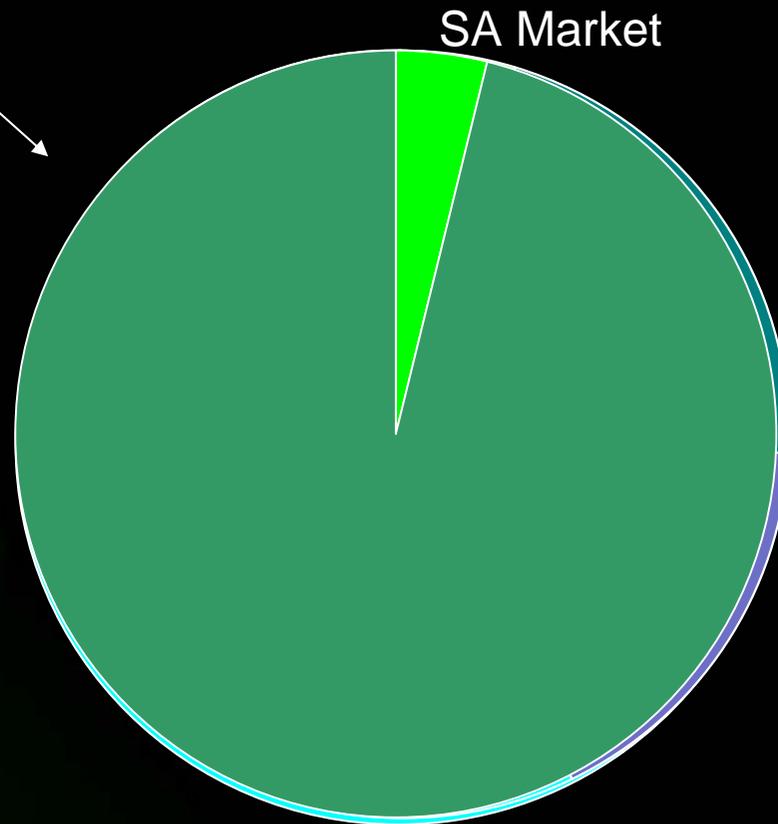
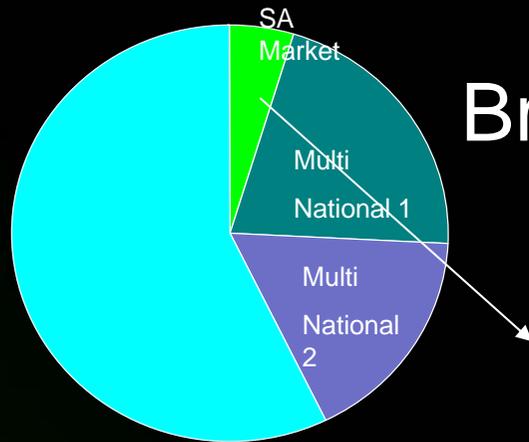


# South Africa Market in Perspective



# The SA Market?

## Brazil Agricultural Market



Biological Market

9.4 Million US\$ - 4%

10 companies



# SA Biological Market Triggers



- Early Adopters – Mind shift
- Product Performance
- 1<sup>st</sup> World Consumers
- Export Markets
- MRL constraints



# SA Biological Market Barriers



- Ignorance
- Generic Chemical Price
- Multinationals selling strategies
- Opposition narrow mindedness
- Under performance of Biological Products
- Product Registration



# Registration of Biological Control Products

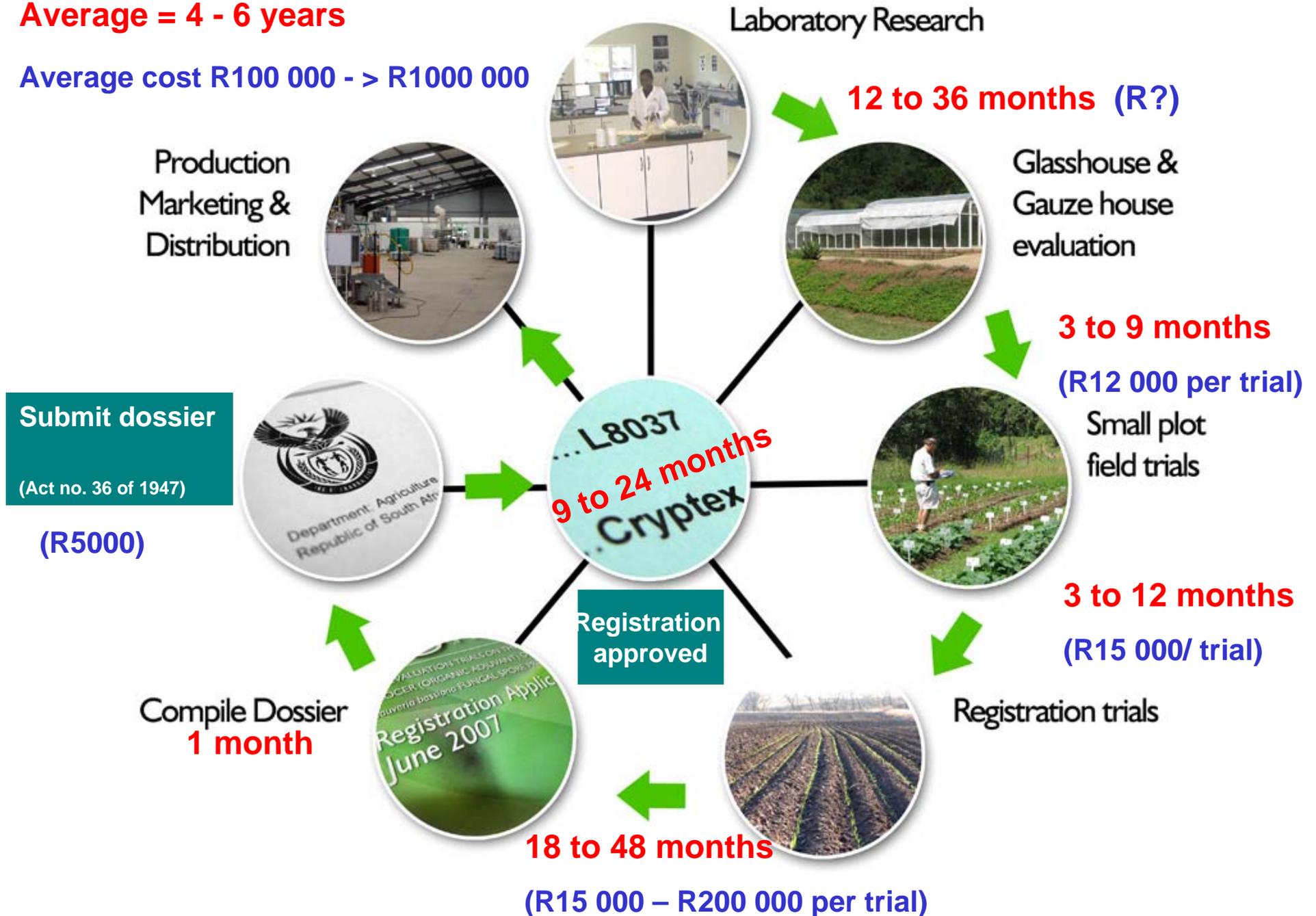


*The South African Biological Agriculture Market*

**Worst case scenario = 8 - 10 years**

**Average = 4 - 6 years**

**Average cost R100 000 - > R1000 000**



# Growing the Market - The Mind Shift



Manufacturers



Distributors



Customers



Markets

Distributors

Customers

Government Legislations



# The Customer



Who is making the Buying decision?

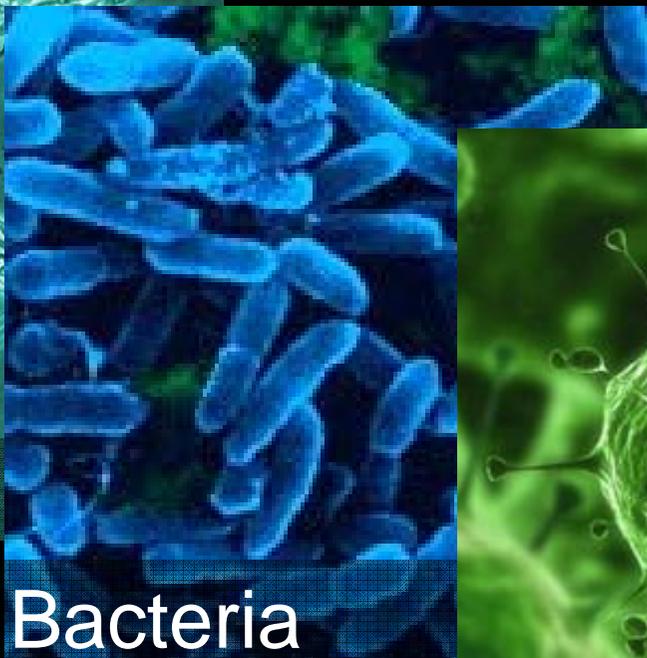
- Relationship Selling vs Technical Support
- Biological vs Organic vs Conventional



# The Product



Fungi



Bacteria



Viruses



Plant Extract

1. On Farm economic impact
2. Farmer Friendly
3. IPM Friendly



# The Price in SA

- Price is set by Crop Value & Market Supplied
- Price is Registration Sensitive
- Price is Chemical equivalent Sensitive
- Price is eroded by Biological Opposition



# To Penetrate the Market !

- Requires Focus. Without it you lost.
- Build confidence in the supply company and its products as quickly as possible!
- Aim for Niche Markets – Higher Margins
- In Established Markets – Grow Volumes
- Equip Biological Sales force with clear selling Strategy
- Share markets with reputable companies
- Grow the market together !!!

