



"Development of Agro-Industrial Complex (AIC)" National Project

Stefan Duerr: "Livestock operations can be profitable"

The Governor of the Voronezh Region Mr. Vladimir Kulakov said that a construction of a livestock complex which is being built in Liskinsky District of Voronezh Region by OOO EkoNivaAgro is a "national project in action".

Svetlana VEBER



EkoNiva also joined the program implementing the national project in Kaluga Region. One of company's farms, OOO Kaluzhskaya niva, is rebuilding a livestock complex for 400 heads of cattle. The project is totally worth RUR 75 mill.

New livestock complex is to produce 2,500 heads of cattle. Construction is under way and follows modern technologies which ensure keeping the cattle untied. The building is made of light metal framework, natural positive pressure ventilation with a possibility to control the air intake using shutters. In the milking parlor Westfalia Surg equipment (Europarallel type 2x24 milking stalls) and cooling tanks with a capacity of 12,000 liters each will be installed. When the livestock complex reaches its target production indicators it will employ 50 people where 20 experts will start working already this year when the first line will be launched.

Having visited the construction site the Governor of the Voronezh Region said that construction is going quickly and in good timing:

- Implementation of the national project on AIC development is of special importance for the Voronezh Region. Major part of our population indeed lives in the rural areas. Therefore, stronger farms meaning not only increased production - but what is of equal importance - increase in living standards in rural areas, better

social support, and new jobs which means that people will stay in the village, summarized Mr. Vladimir Kulakov.

For Mr. Stefan Duerr, the President of EkoNiva which is a successful crop producer, participation in livestock development project became possible thanks to governmental support.

- But for the national program on accelerated livestock development we would hardly be in a position to implement such a large scale project, - said Mr. Stefan Duerr. - This became possible with preferential loans in place. The livestock complex is worth RUR 135 mill. We took a loan from Sberregatelny (Savings) Bank totaled around RUR 118 mill with 12% annual interest rate of where 11.5% will be subsidized.

As far as prospects of livestock sector are concerned the position of Mr. Stefan Duerr is clear:

- Agriculture cannot exist without livestock production. If managed properly livestock production may become a very profitable business rather than a headache as believed by certain farmers.

EkoNivaAgro plans to produce top grade milk to meet the requirements of the leading milk processors such as Ehrmann, Danon, Lianozovsky, Wimm-bill-dann. To do this a serious attention is paid to the potential of the milking herd and strong nutritive base. High production Simmental breed which has a potential 7,000 liters per year is purchased in Austria and Germany. By the end of October 550 heifers worth Euro 2,000 each will be delivered to the farm. By this time the construction of the first line of the complex - the cow shed - will be complete where the next stage of the project is - maternity pen and milking parlor. The final stage of construction shall be complete by September 1 of next year.

Announcement

October 6-10, 2006. "Golden Autumn 2006" Trade Show, All-Russian Exhibition Center, Moscow city. Organizers: The Ministry of Agriculture of Russia, Moscow Administration, Russian Academy of Agricultural Sciences, Agro-Industrial Complex of All-Russian Exhibition Center.

October 15-25, 2006. Business trip to the USA organized for a delegation of partners of EkoNiva Group of Companies. Organizers: John Deere Corporation, EkoNiva Company.

October 17-20, 2006. "Selmash - Expo" Trade Show, Kemerovo city. Organizers: "Expo-Siberia" Exhibition Center, the Ministry of Agriculture of Russia, Kemerovo Region Administration.

October 18-20, 2006. "Golden Autumn. Harvest 2006" Trade Show, Tomsk city. Organizers: OAO TMDTs-Tekhnopark (Tomsk International Business Center - Technopark OJSC), Tomsk Region Administration.

October 24-27, 2006. "Altay Niva. Altayagrotekh" Trade Show, Barnaul city. Organizers: Altay Fair, AltayAgroEXPO.

October 25-27, 2006. "Harvest 2006" Trade Show, Voronezh city. Organizers: Veta Exhibition Center, Voronezh Region Administration.

November 1-3, 2006. "AgroSib. Harvest Days" Trade Show, Novosibirsk. Organizer: "Siberian Fair" Exhibition Center.

November 2006. "Resource-Saving Technologies in Soil Treatment" Seminar for farm managers, Novosibirsk city. Organizer: OOO EkoNivaSibir (EcoNivaSiberia LLC).

December 2006. "New John Deere Tractors of 8030 Series on Russian Market" Training Seminar for agricultural experts, Voronezh city. Organizer: OOO EkoNiva-Chernozemye (EcoNiva-Black Earth Area LLC).

Agricultural forum



Agricultural Mecca

The Russia's largest demo trade show of modern resource saving technologies, achievements of selection, newest farm machinery and equipment was held in Saransk (Republic of Mordovia) on July 14-16. This was for the third time that the Day of Russian Field was organized. This year the show reached a new quality level and received an international status. Above 300 companies from 60 regions of Russia and foreign agribusiness companies presented their expositions. Around 1,000 samples of newest units of farm equipment were exhibited. The sponsors of the trade show reported that the Day of Russian Field was attended by more than 15,000 people including delegations from CIS countries and the rest of the world.

Svetlana VEBER

ADVANCED TECHNOLOGIES IS
A BUSINESS CARD OF EKO NIVA

newest barley varieties attractive for brewers: Margaret, Madlen, Isotta, Jenuva. The guests of the show were deeply interested in Trizo spring wheat which has unique ecological flexibility, high yield and excellent grain quality; Lars winter wheat which was the best on the Russian market in terms of yield and frost resistance attracted the largest interest.

Agronomists were able to appreciate high quality of new generation varieties of peas – Phoenix and Rocket. But there is more than just modern equipment and high reproduction seeds attracted the audience to the show stand of EkoNiva. The business card of the company is aftersales follow up providing advanced agricultural technologies of soil treatment and crop production. Such an approach allows the clients of EkoNiva to be successful crop producers and receive high profits.

When inaugurating the show the Minister of Agriculture Mr. Alexey Gordeyev said that the Field Day is one of the efficient tools of implementing "Development of Agro-Industrial Complex (AIC)" National Project and it can be safely called a Russian technological agricultural Mecca.

- We hope that the show is helping to promote the application of new technologies, modern farm

machinery, and equipment to domestic AIC, said the Minister.

At its exhibition stand EkoNiva Company placed the focus on energy saving farm equipment in order to assist Russian agricultural producers to retool their farms more efficiently. Particularly, a general purpose TopDown minimum till cultivator, Carrier disc, a unique Rapid no-till drill produced by Vaderstad company; PN-100 plow and Taarup 4032 mower

conditioners produced by Kverneland concern as well as John Deere 8000 series tractors and John Deere 3215 telescopic loader were exhibited. Guests of the show were able to see in action John Deere tractors with attached TopDown cultivator and Rapid minimum till drill.

215 scientific institutions and 7 specialized farms showed their achievements in crop production and up-to-date selection at 215 test plots. The demo plots prepared by EkoNiva presented a group of the

conditioners produced by Kverneland concern as well as John Deere 8000 series tractors and John Deere 3215 telescopic loader were exhibited. Guests of the show were able to see in action John Deere tractors with attached TopDown cultivator and Rapid minimum till drill.

Agricultural news

The Russia's Ministry of Agriculture reported that 76 regions joined the "Livestock Accelerated Development" National Project. 1,381 livestock units were certified for state supported crediting. 1,198 loan agreements were concluded where above RUR 107.0 bn were totally borrowed. "These are up to date, competitive and high technology units", - emphasized Mr. Alexey Gordeyev, the Minister of Agriculture of the Russian Federation.



The Institute for Agricultural Market Studies (IAMS) and Grain

Union for the first time made public their calculations showing how much grain will be needed for livestock industry when the "Development of Agro-Industrial Complex" National Project is complete.

In order to provide enough feed for increasing livestock population Russian grain producers will have to increase production of feed grains by 3.2 mill. t only, which is less than 10%. This conclusion was made by IAMS analysts having calculated increase in population of cows, pigs, and poultry.

FOOTBALL
CHAMPIONSHIP

of non-professional teams of
Russia's agricultural companies

December 9 - 10, 2006
elimination round in the regions
February 10 - 11
playoff in Moscow

Applications should be sent to:
Elena.kondrashova@ekoniva.com

The championship
is organized by:

EKO NIVA
ЭКОНИВА



Grand Prix
of the
championship is
John Deere
6920
tractor

Road to the East of the world's farm equipment producers

Checkup

Agrofakt (Agrofact) Agency reports that during five months of this year alone deliveries of imported farm equipment in Russia grew by 40% and were registered at the level of US \$ 444 mill. 656 ths. It is expected that at year end sales may grow up to US \$ 1.8 bn. We discussed with the Deputy Director of OOO EkoNiva-Tekhnika and Director of Sales Department Mr. Gennady Nepomnyashchy how did the world's farm equipment distribution start to move eastwards and what can be expected in the new season.

Svetlana VEBER



- Back in the late 90s Claas was one of the first companies which took a correct view of Russian market and came here with a good product and quality follow up, said Gennady. - After this company such European companies as Kverneland, Grimme, Lemken, Amazone paid attention to the Russian market. In recent years the following large multinational concerns came here: John Deere, CNH, AGCO. Each new machine finds its segment on the market and year after year this segment continuously grows.

- What is the reason behind this?

- With improved investment climate and development of market economy. In the recent years Russian government changed its attitude towards

agricultural branch. Long term programs and crediting programs were developed. Agricultural producers received real possibilities to purchase imported farm machinery.

- What types of imported farm machinery will be in demand this season?

- Today there is a huge demand for medium and high power tractors (from 150 up to 500 hp). Domestic tractors so far do not have a quoteworthy competitor in this range. Seeding complexes are of current interest. This machine in one path do several operations which considerably minimizes costs and allows to treat soil fertility with due care. Soil treatment machines became of bigger interest (chisel cultivators, disc harrows, disk-cutters, deep rippers, reversing plows). There are very few

machines of this type made domestically. It is difficult for a farmer to choose necessary farm equipment made in Russia therefore they are looking for foreign made product. Grain harvesters sales market continues to grow despite increased import duty rates (100 Euro per 1 kW). Farmers realized that it is equally important to grow a good crop and harvest it quickly with no losses and at minimum cost. Climate is tricky here. Those who harvested this year using imported combines had a profit. Those who were expecting a good weather had losses as they failed to harvest their grain crops in time. Thanks to implementation of livestock development program fodder harvesters became in demand. For instance, farmers started to show interest in specific machinery like large capacity farm

trailers. They allow to considerably save energy resources. Sprayers became popular because new technologies are now applied which require quality spraying of chemicals.

Talking about general trends I should say better demand started to enjoy all high power self propelled machines and attachments with wide coverage.

- What is the behaviour of dealers under conditions of excitement on imported farm machinery market?

- No doubt there is a competition and it is rather tough. However, we can say that there is a consolidation between dealers and mutual understanding is beginning to shape and, thanks to all this, clients win primarily. It is quite important that dealers started to pay attention to their reputation. However not all can provide a quality aftersales service. I would like to mention John Deere here. This company gives primary importance to aftersales service.

As far as EkoNiva is concerned we clearly determined our development directions and follow this course:

- Do business with the same producers
- Improve an aftersales service
- Offer the client more than just equipment but rather a package solution to the tasks which the client set for himself.

Lawmaking

Theory and practice

OF AGRICULTURAL LAND TRANSACTIONS



Olga Romanova, the Director General of Ratum Legal and Consulting Group, provides this consultation.

January 27, 2007 expires the term stipulated by Article 16 of the "Agricultural Land Transactions" Federal Law

(hereinafter referred to as the Law) to bring land share leasing agreements concluded before the effective date of the Law in line with existing legislation.

Such land share leasing agreements with undetermined land boundaries and land tenancy in common were concluded in accordance with resolution of the Government of the Russian Federation No. 96 dated 01.02.1995 «On procedure to exercise entitlement for land shares and property shares» (became inoperative).

If land share leasing agreements are not adapted to the law the regulations for trust

agreements will be applied to them without registration of such trusts.

Negative consequences in the first place affect the owners of land shares because through clause 3 of Article 1022 of the Civil Code of the Russian Federation the debts on liabilities arising from trust estate can be paid out using the said estate meaning that land shares can be sold without consent of the owners.

But land shares can be transferred to trust management if certain conditions are met:

- Land share leasing agreement should be concluded prior to January 27, 2003;

- Land share leasing agreement should be valid;

- Land share leasing agreement should be drawn according to the standards existing as of the date of its conclusion.

The majority of leasing agreements of this category were concluded from 1996 to 1998. During that period the Agreement was considered valid if it was registered at the Land Committee. In practical work we run across agreements, which did not pass the state registration and respectively land shares in such lease agreements do not qualify for trust management.

Trends

Modern seed business: Profile and full-face

It is a common knowledge (at least from books) that during Cultural Revolution in China people tried to found steel almost in every single household. Many heard that in the 90s of last century in Poland pasta was manufactured almost in every single household. All this sank into oblivion for a quite typical reason – creation of a quality product, be it steel or pasta, requires professionalism and resources available for development of competitive production.

Yuriy VASYUKOV

In this respect it beats me that in Russia a long lasting tradition still exists in agriculture where each individual farm is trying to produce seeds for planting itself.

However, seed business is an individual, high-pro sector, which needs sizeable investments, and behavior on seed market is regulated both by international regulations and Russian law. Therefore, there are three components required for running a professional seed business:

- Sufficient material resources;
- Qualified personnel at all levels;
- Work within the limits of legislation regulating seed production, sales, and rights of variety patent holders.

Success in the seed market is strongly determined by the quality of seeds offered and their relevance in the context of current standards and trends. The quality of seed is often assessed in the same old way: moisture, purity, and germination. However, advanced farmers realize that the seed quality lies first off in the fact to which extent does this seed carry the genetic features of the variety. Moreover, there is a whole range of stages, which are equally important:

- Farming standards, crop rotation, soil preparation, fertilization, and plant protection system;
- Meeting special seed business requirements at harvest time;
- Highest organization and technological discipline

during after-harvest handling, storage, and shipping of seeds.

Moreover, seed production is inseparably connected with appraisalment of crops and other certification procedures as well as special seed business

agrotechnical measures. This calls for full time monitoring by State Seed Inspection and controlling authorities.

Plant breeding is not standing still: seed producer should introduce new varieties all the time taking certain risks because not all such varieties will be fixed for production. Therefore, production crop variety testing and small-scale reproduction of new varieties will always go hand in hand with professional seed business. The



quality seed business” concept. It is clear that no common farm is able to observe all the above.

The way out is to purchase seed from professional seed producers, which have a reputation on the market. EkoNiva Group of Companies is one of the few enterprises located in the top list of field crop seed producers rating mostly in terms of foreign selection varieties production.

- Elite and reproduction seed is grown at EkoNiva APK (EcoNiva Agro-Industrial Complex) farms located in Kursk, Voronezh, Kaluga, and Orenburg Regions, - said the Director General of OOO EkoNivaAgro (EcoNivaAgro LLC) Mr. Yuriy Vasyukov. – Our farms are developing into multiline seed growing complexes, which envisage availability of several independent lines for seed handling. This dramatically increases the production capacity and, what is paramount, the quality of the end product because different varieties are never mixed during seed handling.

It should be mentioned that EkoNiva seeds are successfully produced all across Russia from Magadan in the east to Smolensk in the west and from Arkhangelsk in the north down to Stavropol Territory in the south.

key element of the system is direct work with the consumer including:

- Intensive informational work explaining the peculiarities of the variety offered;
- Providing recommendations on crop production indicating peculiarities of technology for particular regions;
- Field trips of experts to the farms for consulting.

The above factors are components of “professional

Switching to minimum tillage requires purchasing machinery necessary for efficient technological operations. Modern market of no till drills offers a wide variety of models. Today we are presenting Rapid no till drill produced by Vaderstad (Sweden) which is the best seller 2006.

Nikolay BURAVLEV



Presentation

Alexandr Krylov, Director General of ZAO Babrovskoye (Babrovskoye CJSC) which is a business unit of ZAO TK Agroholding (Agroholding Trading Company CJSC), Belgorod Region:

- We purchased Rapid drill this year. I think we made the right choice. In the spring using this drill we planted 638 ha of wheat and this fall, 670 ha. The drill offers high performance. You can operate it at 15, 16, 17



km/hour and as you accelerate the speed seeding rate does not change unlike it is with planters of other manufacturers. When planting is done with this drill fields become as flat as a pancake. We are very happy with the quality of planting where not a single seed is left on the surface. The soil is packed which means that moisture is preserved. Already in four days we can see even stands.

In the spring we used Rapid drill to do no-till planting of 12.1 t of wheat where previous crop was sunflowers. The yield was 2.7 t/ha. We are very happy with the result! I believe that Rapid drill is worth the money spent. No repairs, downtime at operation easy to use for operators. All we do is scheduled maintenance and it works just fine.

Incorporation of seed into the soil is made using the impact of wheels and a packer. Each packing wheel has an impact on seeding depth in two rows because it is connected through the leads with two corresponding seed colters. The OffSet wheel system ensures continuous operation of the drill on wet soil due to shift of every second packing wheel by 190 mm backwards where the appearing gap allows the soil to pass between wheels freely and without sticking to the wheels.

Rapid drills are universal, economical, maneuverable, reliable in operation, easy to maintain and gained high reputation in Europe. Now Russian farmers also will be able to increase production efficiency by using high quality machinery produced by Vaderstad.

Precision planting at high speed

Rapid air drills are the newest models of drills produced by Vaderstad Company and were specifically designed to produce grain and small grain crops using no till technologies and providing an inter row width of 12.5 centimeters. The capacity of the bin is up to 6,000 liters and operation at a speed ranging from 12 up to 20 km/h ensure perfect result. This became possible thanks to unique design of disc suspension and seeding colter, which can maintain accurate depth preserving the quality of seeding even at high speeds. A combination of additional working tools at front frame and seeding discs with colters is a feature of Rapid drill. Soil preparation and placement of seeds at a pre-set depth is guaranteed in the worst conditions by transferring part of the weight of the machine to discs and colters thus enabling even no-till planting.

New leaders Rapid A 600C and 800C ensure planting of 8-16 ha per hour. The bin has a mobile internal partition which separates seed from fertilizers. However, if necessary the bin can be used for seed only. The drill is equipped with hydraulically powered dozers for seed and fertilizer. Seeding rate can be changed

during planting using control panel Control-Station which is GPS compatible. Rapid drills are equipped with an integrated central packing support consisting of two wide profile wheels. Due to original direction mechanism of the central support this drill is exclusively maneuverable and has a low turning radius.

The drill may be equipped with two types of front end soil preparation attachments: Crossboard Disc system and Crossboard Agrilla system. Leveling board Crossboard is a row of spring mounted boards made of high quality steel which are mounted at the cross bar. Thanks to spring power of metal the boards are working in dynamic mode thus becoming more resistant to mechanical damage when running across barriers available in the soil. A system of soil tillers with spring tines Agrilla provide a quality soil tillage and improves aeration of soil, breaks large lumps of soil and mixes the crop residues. The Disc system consisting of arched cutaway disc called "Disc" serves to cut the crop residues and break the development of weeds root system. Rubber shocks provide a guaranteed protection of discs from breakdowns.



Advantages of mulching planting (on the right)

Regional news

Equipment of success



The experts of EkoNivaSibir Company participated in 7th September testing of a new Seed Hawk drill manufactured by Vaderstad on a field of Sibirskaya Niva test farm.

Winter rye was being planted on the field where soil was treated using three different practices. Rye was no-tilled on 40 hectares. Experts mentioned that the drill ensures even planting with a protective ridge. Two other parts of the field 10 hectares each were cultivated with Carrier cultivator (8 centimeters deep) and Top Down cultivator (12 centimeters).

Seed Hawk which has a working width of 12 meters allows to plant seed together with two types of fertilizers. A 270 horse power tractor pulls this drill. The optimum tractor speed is 8 km/h. This drill can plant as many as 10,000 ha. The bin

ensures one filling per 10 hectares of soil. Sergey Gorbunov, Director General of Sibirskaya Niva Company said that it is planned to take pictures of the field once in two weeks to monitor the germination of winter rye in progress. "In the spring we along with our partners will compare results on three plots", said the farm manager.

Anders Ljung, Sales Director of Vaderstad, believes that a buyer of a new drill is "a manager with pioneering spirit who is ready to apply up-to-date technologies and particularly No Till.

EkoNiva-Vyatka hosts friends

EkoNiva-Vyatka Company hosted the "Modern Crop Production Technologies. New Resource Saving Machinery and Equipment" Seminar on September 7 at Oktyabrsky breeding farm in Kumensky District of the Kirov Region. This became a major event for the whole region.

Farm managers and experts from many local farms, representatives from Region Administration and Rosselkhozbank (Russian Agricultural Bank) came to witness the advanced western technologies in real action.

Guests of the seminar were able to assess the



field operation of Top Down cultivator, Rapid no-till drill produced by Vaderstad concern, Einbock strigel with a bin for planting perennial grasses and other newest issues of the world's farm machinery manufacturers. Guests of the seminar were in a position to receive the most detailed consultation for each machine from EkoNiva-Vyatka experts.

Showing the potential



The farm equipment demo show was hosted by Liskinsky District of the Voronezh Region on September 8. The event was organized by the Headquarters of Agrarian Policy Administration of the Voronezh Region, ExpoCity Exhibition Association, EkoNiva-Chernozemye Company. The demonstration took place on the fields of 000 EkoNivaAgro and as a result this show was also able to demonstrate a wide variety of equipment manufactured by John Deere, Vaderstad, Kverneland, Gebo, which are operated by this farm. A particular interest of guests and participants of the show was placed on performance of Rapid 600C drill (Vaderstad) pulled by 8420 John Deere 270 h.p. tractor. Neither rain nor moist soil could prevent the demonstration of all advantages in operation of this high speed planting outfit.

You can make wonders on Kaluga land

After studying the experience of 000 Kaluzhskaya niva (Kaluzhskaya niva LLC) at the "Production of Potato Varieties of German Selection" Seminar the above was the conclusion made by its participants.



This company's core business is producing potato varieties of European selection. Nine

varieties are produced here. Experts from this farm presented detailed features of each variety, explained the peculiarities of production, taste qualities and technological properties of varieties in order that any farm, which decides to produce potatoes, would become a producer of competitive product indeed.

Field Day in Orel land



Trosnyansky District of the Orel Region hosted a Field Day on August 25. Among the participants you could find the top officials of the Region and over 150 local farm managers.

Among invited guests was 000 AgroTsentrKursk (Kursk Agricultural Center LLC). Experts of the company held a demo show of farm machinery as well as presentation of European selection seed produced by 000 Zashchitnoye (Zashchitnoye LLC), which is located in Shchirgovsky District of the Kursk Region. The guests were genuinely interested in operation of 7 and 8 series of John Deere tractors, Rapid 400C drill produced by Vaderstad, reversible plow with feather like breast produced by Kverneland concern. The Governor Mr. Yegor Stroyev said that to keep up with the times the agrarian sector needs modern equipment and modern agricultural technologies. The Governor of the Orel Region appreciated participation of 000 AgroTsentrKursk in the Field Day and expressed gratitude for cooperation.

Our victories

With what can you compare the desire to be successful in business? Probably with climbing a mountain. Like in business you need to storm the hill thinking about each move applying both knowledge and experience. The key is not to fall down and to work consistently in one bind with partners.

Yuliya SALKOVA

On August 12, 2006 flags of the EkoNiva Group of Companies and its partners, John Deere and Vaderstad, reached the Europe's highest summit. Alexey Nikitin, the chief of the aftersales service in OOO EkoNiva-Tekhnika (EcoNiva-Technics LLC) mounted the Elbrus mountain which is 5,642 meters high.

Never before Alexey was seriously fascinated by mountaineering. He was rather interested in water sports. But this summer he took a vacation and conquered the Elbrus. Obviously even during his vacations he is missing that drive which is available at his workplace on daily basis.

This climbing was far from easy and lasted 10

"Only at the top of the mountain you realize how much is still ahead ..."

hours. Alexey took a philosophical approach to his mount:

- Elbrus attracts with its beauty, calls with its magnificence however it decides for himself whom he "allows entering" and whom "disallows". It is not quite correct to say that I have conquered the Elbrus. Yes, I reached the Europe's top summit but only standing at the top of the mountain you realize how much is still ahead...

Alexey's colleagues say that at work he is strict but fair manager. He is a realist, always does what he was given to do and

demands the same from his colleagues. In the aftersales service team there is a strict, one can even say, military discipline. Alexey Nikitin has been working for EkoNiva Group of Companies for five years, four of which he has been successfully managing the aftersales service. How can he manage it? Colleagues acknowledged that this is thanks to a combination of his organizational and professional qualities, extraordinary motivation, responsibility, and hard

work:

- In terms of being professional - Alexey is always flying high! And it turned out that off work he is also attracted by height.
- And what is ahead? - we asked Alexey.
- Ahead is the top

Alexey Nikitin:



summit of Asia and the Earth - the Everest peak which is 8,872 meters high. I hand "the baton of conquering" to my colleagues from OOO EkoNivaSibir (EcoNivaSiberia LLC) located in Novosibirsk city! We are at the top but there is always room for improvement! And if we ever open an office in Africa we'll climb Kilimanjaro!

Probably, his wish is only a joke but nowadays EkoNiva and its partners are anxiously waiting for conquering new summits!

Our plans

Mobile service within EkoNiva network



S. Bardwell - Head of John Deere Russian office, Ye. Gorbunov - Director General of EkoNivaSibir, S. Podoyma - Director of Kudryashevskaya Agrarian Group

Since 1993 EkoNiva has been supplying to the Russian market hi-tech imported farm equipment, does an aftersales service, repairs, supplies spare parts and expendable materials, start up work and training of operators. The key principle of the company is to make service not only highly professional but also operational efficient, which is extremely important for the buyers. EkoNiva solves this problem by developing a service network.

In late July 2006 two new representative offices of the company group - EkoNiva-Ryazan and EkoNiva-Vladimir were

opened. Establishment of these branches will allow increasing operational efficiency of service in Russia's Central Region. It is planned to open branches in Kostroma and Smolensk in the year 2007.

This August OOO EkoNiva-Chernozemye (EcoNiva-Chernozemye LLC) opened a service center in Rakitnyansky District of the Belgorod Region. This is where warehouses of spare parts and expendable materials, offices, repair shops for oversize farm equipment are located. Now aftersales services quality for our Belgorod partners became much higher and affordable. It is planned to open a service center in Tambov Region next year.

In late September OOO EkoNivaSibir (EcoNivaSiberia LLC) service center was opened. Spare parts warehouse, equipment demonstration plot of considerable dimensions, office for servicemen and sales staff are located on the territory of 2.2 hectares. Now clients do not have to wait the time waiting for delivery from Moscow.

Our people

Alexandr Rybenko:

"Always follow what you believe in!"

It is practically impossible to find Alexandr Rybenko, the Director of Tikhodonsky branch of OOO EkoNivaAgro, in his office. And now we also found Alexandr Nikolayevich at the construction site of new livestock complex.

Yuliya SALKOVA



- Alexandr Nikolayevich, in January 2002 you were elected the manager of Tikhy Don collective farm. What were the prospects?

- My native collective farm had dramatic financial problems, debts and was not a "survivor". We had to find investors immediately. I went to Moscow. Met Mr. Stefan Duerr and he became interested in our farm. In March 2002 Tikhy Don merged with EkoNivaAgro.

- What qualities do you value in people?

- Decency - you should stick to your promises. Even if you do it later do it all the same! Straightforwardness - be able to express your opinion with no fear for consequences. Always follow what you believe in! Far-sightedness - be able to calculate a

few moves forward! I disrespect laziness and a wish to work less and get paid more often. I do not like people trying to use others to solve their own problems. This is disgusting. However, each person has a right for his own nature.

- What is the motto encouraging you to live?

- In the nearest future life is not going to be easier! This is a phenomenal encouragement. If you believe that everything is easy this means that you are not doing anything!

- In other words the thought that life is not going to be easier is rather optimistic?

- It turns out this way. This is no time to relax. Plans are ambitious. Only the body needs some rest! Possibly I will take a long hoped-for vacation in December. The third in my lifetime!

Fist person story

EkoNiva Russian-German Company started its business in 1993. Presently, this company comprises more than 15 companies located in Moscow, Voronezh, Kursk, Kaluga, Vladimir, Ryazan, Kirov, Orenburg, Novosibirsk Regions, and Altay Territory. It employs above 1,000 highly qualified experts. During the six months of this year company's turnover totaled RUR 1 bn 800 mill. EkoNiva is an active player in agrarian and political life of Russia and Germany. The president of the company Mr. Stefan Duerr told us about how EkoNiva is doing its business today.

Svetlana VEBER



Success formula of EkoNiva Company



- **What makes your company different from other companies, which offer to agricultural producers similar services?**

- First off this is multifaceted approach in our business. On the one hand all lines of our business are quite independent. However, at the same time they are interconnected and complement each other. This increases efficiency of our company's business in general. And for our clients this presents the opportunity to receive a package of services, which guarantees high economic result.

As far as equipment is

concerned we can safely say that we grew into Russia's largest company selling imported farm equipment. And this is not because we offer the lowest prices (our prices can hardly be called low). We are more competitive than other companies due to high level of service we offer. Clients are attracted by qualified sales support thus allowing to avoid downtime meaning economically efficient operation.

- **What can a client expect to get when contacting EkoNiva?**

- We offer more than just equipment we offer technology as well. It is a great support for us to have our own farms where we fine tune crop production technology and look for optimal ways for modern equipment application. We employ several German consultants who transfer the advanced European experience into Russian environment.

On our farms we produce seeds, which are further distributed all across Russia. Magadan is the furthest location where our seeds are used. Some clients manage to obtain even

better yields than we can do on our own farms.

To find the varieties that suit our environment best this year we are doing test plots of 40 new varieties of various crops selected in Europe. Almost ten varieties will go for sale and they were selected out of several hundreds. The priority was given to such crops as peas and rapeseeds, which will make profit in the future.

As a result our clients will enjoy a perfect mix: updated equipment, best varieties, and advanced technologies.

- **It is clear that for farmers such acquisitions are quite expensive. Which payment terms are you offering?**

- We offer all possible

financial programs. Including loans from foreign banks. Apropos, for the first time for those of EkoNiva clients who buy John Deere equipment US State Eximbank offered the interest rate in Euro rather than in US \$ which is considerably more attractive.

- **How do you see the future of Russia's Agro-Industrial Complex development?**

- The country has a huge potential. However, to stand at the same level with the largest agrarian countries Russia needs to use high technologies and modern work organization. And in our turn we want to help Russia become the leader as soon as possible.

The key activities of the company are:

- Supply and maintenance of farm machinery from world's leading manufacturers: concerns - **John Deere**, **Kverneland**, companies - **Vaderstad**, **Grimme**, **Riela**, firms - **Schaffer**, **Fliegl**, **Einbock**, **Gebo**.
- Supply of elite and reproduced seeds of the newest varieties from the world breeders: grains and pulses, potato, rapeseeds, corn, feed crops, and mixes of both European and Russian origin;
- Own agricultural production on 30,000 hectares of land;
- Consulting on the newest agricultural technologies.

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