

LAMMA 2016 PREVIEW

As margins get ever tighter for machinery manufacturers, we take a look at how one UK importer has overcome odds to become one of the most successful in the country. **James Rickard** talks to Opico boss James Woolway

Success via differentiation: Q&A with UK importer Opico

As large manufacturers and their subsidiaries compete for market share with ever increasing machinery line-ups, it has often been the role of small importers to fill the gaps in the market with niche, specialist products.

However, for small importers to survive and compete with mainstream machinery offerings, it has meant doing things a bit differently. And nothing could be truer for UK importer Opico, which has capitalised on a 'doing things differently' philosophy ever since its conception.

By identifying gaps in the market and ways to do things better, it has allowed the

company to grow from humble beginnings to become one of the most successful importers and distributors in the country.

As Opico celebrates its gold-

en anniversary, we talk to the company's current owner, James Woolway, to find out the story behind the importer, its challenges and its triumphs.



It has always been a necessity for Opico to be different. We cannot just bring in 'me too' products
JAMES WOOLWAY



An interesting take on the plough was Opico's introduction of the square plough in 1991.

How did it all start?

THE original Opico, or Openheimer Intercontinental Company as it was first known, was set up in America soon after World War Two by Jerry Openheimer.

With experience in the army of how to move troops and equipment, he identified a post-war mechanisation boom in the US, and concluded it would be a good idea to create a business based on bringing machinery together from various manufacturers and

exporting it around the world.

Opico UK, a subsidiary of Opico US, was then set up by Jeremy Coleclough, who worked for the firm in the States and decided some of the products could work in the UK.

Pea cutters

Originally based in Essex, Opico UK's first big break came with the introduction of Hesston pea cutters, used for cutting and swathing vining peas.

They were so popular, it

required a move for the firm Spalding to provide 24/7 service to the pea growing area.

Opico UK became a company in its own right in 1975, when Mr Coleclough and two other directors bought the business. This allowed the firm more freedom to import machinery from other countries.

In 1989, Mr Coleclough became sole owner, right up until 2007, when he sold the firm to James Woolway, sales director at the time.



For the full story and more pictures, go to
www.fginsight.com/machinery

Opico milestones

1966 Opico UK set up to import products from the States
1966 First products included the Hesston range of equipment
1967 Batch recirculating grain driers introduced
1971 Retro-fit turbos added to portfolio
1975 Management buy-out by Jeremy

Coleclough, Ray Ferrer and Mike Harley, to become its own company
1984 Moved to Bourne, Lincolnshire, with a purpose-built grain dryer assembly line
1989 Complete shareholding purchased by Jeremy Coleclough
1991 The square plough was introduced

1994 Company began to import He-Va machinery
2007 Company sold to James Woolway
2011 Took on Maschio range of drills
2015 Launched Sky Agriculture trailed drills
2016 Took over UK distribution of Strautmann products



Sward lifters have become a popular product in the firm's grassland rejuvenation portfolio.

Which products have helped put Opico on the map?

It has always been a necessity for Opico to be different. We cannot just bring in 'me too' products, we either had to set trends or find ways of doing things better.

The batch drier, introduced in 1967, is a prime example of an innovative machine which was adapted for European conditions and went on to revolutionise grain drying in the UK. So much so, the company had to move to new premises in Bourne, Lincolnshire, equipped with a specialist assembly line.

Another trend-setting product was the Vari Disc short-coupled disc harrow, which was a first on the market in 1991, with the ability to pull itself into the ground. As a result of its popularity, the

market is now full of them. Some products do better than others. An interesting product was the square plough, of which we sold 400 units in two years, before other manufacturers adopted the idea and the realisation it did not work in wet conditions put an end to the concept.

Retro-fit turbos for tractors were another short-term, but popular, product, which sold well for three years before manufacturers started offering factory fit units.

Sometimes, reinvention of a product can open up a market. In 1994, half of our weeding harrows were sold for grassland, and with incorporation of an air seeder, kicked off our grassland rejuvenation range.

What are the benefits of an importer over a manufacturer?

INDEPENDENCE and flexibility are our biggest strengths. We do not have to answer to a board of directors and we are free to choose what products we want to offer.

This means we can pretty much cherry-pick the best products and not be stuck with a full line of products such as a manufacturer's subsidiary. By reacting quickly to market trends, it is often the speed by which we can get a product to market which can make a big difference to market share.

Scale

While we are a small importer, we operate on the same scale as many manufacturers' UK subsidiaries, which means we

“
We can pretty much cherry-pick the best products
JAMES WOOLWAY

can offer a high degree of backup to our products, along with equivalent levels of parts supply and servicing, which is a big benefit to our suppliers who do not have the scale alone to compete in the UK.

What are the threats to importers?

ONE of the biggest threats these days is large machinery manufacturers buying up smaller firms to become full liners. As a result, their line-ups are getting bigger, which means our products can get pushed out of dealerships. Conversely, holes in manufacturer line-ups can mean opportunities for

us to get into dealerships. A watchful eye is always kept on currency movement, especially if a similar type product is made in the UK and abroad. We cannot afford to be buying high and selling low and a large product portfolio helps balance out fluctuations in currency.