

Over the past few presentations we have discussed what AgGateway does and how it can help your agribusiness become more productive and profitable. We have explained that AgGateway intends to create a chapter in Latin America that will be operated by and for Latin American agribusinesses and will focus on the challenges of Latin American agriculture.

If you're looking for a way to improve your agriculture business, enhance relationships with your customers, and at the same time increase your efficiency and profitability, then you should consider membership in AgGateway.



That brings us to two important questions, which we will address in this presentation are, "How will AgGateway Latin America work?" and "How can my company become a member?" We will answer these to questions in this presentation.

# **Principles for Success**







Every AgGateway organization operates on the following principals Collaboration with others in the industry to agree on how to use star

Collaboration with others in the industry to agree on how to use standards in agriculture

Collaboration with other standards organizations

AgGateway prefers leveraging existing standards where they are available rather than developing standards

Regional autonomy for implementing projects, self-funding and decision making

### Global Resources Available through AGN



- Collaborative relationships
- · Business process guidelines
- Message standards
- Ag-industry identifier standards and related directory service
- Ag-industry glossary
- Organizational effectiveness electronic resources

When you join AgGateway Latin America, immediately significant resources become available to you from other AgGateway members around the world. This slide lists a few of the more important resources that can benefit your business.

- 1. A key characteristic of AgGateway is that for the most part, its participants focus primarily on solutions that apply to the entire industry, not only to their individual companies.
- 2. For this reason members form collaborative relationships to help solve agriculture industry problems.
- 3. In agriculture just as in other industries, processes drive business. AgGateway has documented many of the common processes and have agreed on a set of business process guidelines.
- 4. AgGateway promotes and makes available to you, a comprehensive and proven set of international message standards, which are influenced through collaboration with many industry and standards groups.
- 5. AgGateway not only endorses GLN and GTIN implementations, we enable it through implementation of directory services and collaboration with GS1.
- 6. AgGateway North America has sponsored the development of an agriculture-industry glossary with thousands of terms already defined and backed by a sophisticated ontology.

7.	AgGateway North America and AgGateway Europe are happy to share electronic resources related to the organizations' structure and operations.

#### Why AgGateway Latin America is Necessary

- · Differences that require regional focus:
  - · priorities and challenges
  - · policies and regulations per region
  - time zones
  - differences in stage of development and promotion of eagriculture
  - Quite a few companies operate on a regional level and not on a global level
- A regional touch is required

Although global collaboration is very important, various regions of the world have many differences that must be considered as well.

Among these differences are:

Different priorities and challenges

Different policies and regulations per region

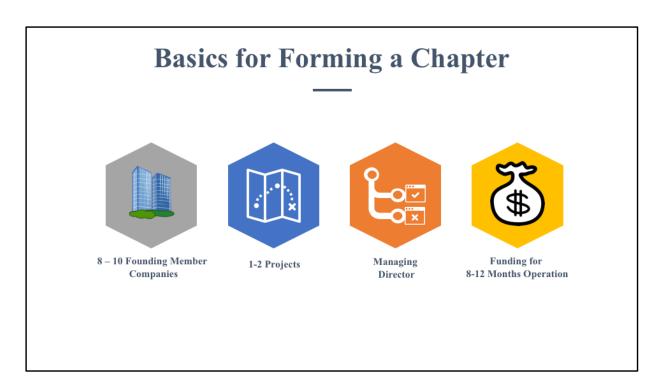
Different time zones

Differences in stage of development and promotion of agriculture

Legal differences concerning antitrust and intellectual property

Quite a few companies operate on a regional level and not on a global level

A regional touch is required



There are four basic, equally important, needs to get the AgGateway Latin America chapter started.

First, is the commitment of 8 to 10 companies that want to collaborate and invite other trading partners to join to expand the organization.

Second, the founding members need to identify one or two initial projects that can provide an immediate financial benefit to the members who participate.

Third, AgGateway Latin America will need to hire an individual from within the region to take the role of managing director.

Finally, founding members need to commit to the Initial funding to cover the first 8 to 12 months of operation.

# **Founding Members**



8-10 Founding Member Companies

- Represent Various Segments
  - Machinery
  - Farm Management Systems
  - Fertilizer
  - Crop Protection
  - Seeds
  - Distributors
- Some Leaders in their Segment
- Can Be Any Size
- Provide Initial Funding

The companies that commit to be founding members can represent various segments of Agriculture

It is very helpful if some of the founding members are leaders in their respective segment of Agriculture

It is desirable to have companies of all sizes, large, medium, or small The group of founding members will be asked to provide the initial funding for the organization

# **Initial Project(s)**



- Identify top priorities
- Get started as soon as possible
- · Copy projects from other regions
- Short time for a return on investment
- Not too complex or costly to start with

Companies join AgGateway to get results, not just to talk about challenges, so it is very important that one or two projects are started as soon as practical.

The members should agree on a priority and begin work as soon as possible. If any of the projects that were conducted in another region stand out as a priority, then it would be recommended

to use that project as a template.. For example, implementing ADAPT in Latin America might be a desirable project to start with.

Projects should provide a return on investment in a relatively short timeframe. The initial project(s) should not be too complex or costly.

# **Hiring a Managing Director**



- Well-known in the Region
- Strong Agriculture Background
- Manages Day-to-day Operations
- Initially 40-50 hours per month
- Eventually full-time

AgGateway Latin America will need to hire an individual from within the region to take the role of managing director. This individual should have had a career in agriculture and should be well respected in the industry..

The people that represent member companies cannot spend a lot of time running the organization, so it is important to have someone dedicated to the task of managing day to day operations.

Initially, this can be done by someone who provides the equivalent of 40 to 50 hours per month. As the organization grows and more projects are initiated, AgGateway Latin America will need a full-time managing Director.

# Start-Up Funding for AgGateway Latin America



Funding for 8-12 Months Operation

- Budget for September 2017 April 2018 R\$335.000
- 8 10 Founding Members Provide funding with contribution + member dues
- Founding members
  - R\$ 23.000 contribution
  - · R\$ 11.000 membership dues
- · Members joining after start-up
  - R\$ 11.000 membership dues (join in 2017)
  - R\$ 5.500 membership dues (join in 2018)
- Founding Members' contribution will be credited to future dues and projects to be determined

The initial budget period for AgGateway Latin America is anticipated to be September 2017 through April 2018. The budget for this time period is projected to be 335.000 Reals.

Each founding member will provide their share of the initial funding through a contribution of 23.000 Reals plus membership dues of 11.000 Reals. The portion that is contributed will be credited to future dues and project costs for the founding member in a manner to be determined.

Companies that join after the start-up but in 2017 will pay membership dues of 11.000 Reals. Companies that join in 2018 before the end of April will pay membership dues of 5.500 Reals.



For July and August, AgGateway Global Network will hire a consultant to help with organizing AgGateway Latin America.

The AGN staff and the consultant will work to obtain verbal commitments from at least 8 to 10 companies that are willing to be founding members.

After enough companies have committed, AGN will collect dues and contributions from founding members.

Founding members will create a charter for the Latin American chapter of AgGateway Global Network and will submit it and an application to AgGateway Global Network After the funds are collected, and the charter approved, A steering committee will be form. Their first order of business will be to hire the managing director Members will then identify 1 or 2 projects that members have prioritized.

Charters will be developed for the project or projects, participants recruited, and the projects will be initiated.

What Can You Expect?
Expect to be contacted by the AGN consultant
Expect to be invited to become a member.
Expect to improve business processes
Expect to be invited to participate in a project
Expect to increase productivity
Expect to become more profitable

In the coming weeks and months, you can expect to be contacted by an AgGateway Global Network representative and to be invited to become a member and to join in an AgGateway Latin America project. If you respond positively to these invitations and activities you can expect to improve your business processes, increase productivity and become more profitable.



# AgGateway Global Network

http://AgGatewayGlobal.net

member.services@aggatewayglobal.net

Want to be a founding member?

You've heard the benefits. Your company can <u>only</u> get those benefits if you join the organization.

Contact us today!