

International Market Entry by Alliances of Taiwanese Tech-Agribusinesses

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Source: Council of Agriculture

The Council of Agriculture (COA) recently called on the 36 technology-oriented agribusinesses to formulate an alliance to enter the international market. COA intends to promote Taiwanese brands and products of the Taiwanese tech-agribusinesses by grouping potential interested participants. The alliance will start to participate in some major international exhibitions in China, Thailand, Japan, and Vietnam in August and October, 2016. The strategy of grouping an alliance aims to set up a professional Taiwan image in exhibiting the Taiwan Booth, and to increase the international exposure for international potential buyers. It is estimated to generate NTD 40 million in sales.

Taiwan is proud of its superior technology reputation in premier varieties, cultivating techniques, and agricultural materials and equipment. The reputations are built upon high quality Taiwanese agricultural products. However, limited by the local small market scale, these technology driven agribusinesses urgently to expand its international business, but it also has insufficient international marketing expertise. During 2014 and 2015, COA commissioned Agricultural Research Institute to lead 43 agribusinesses to participate in some major international exhibitions in Japan, China, and Thailand, and got 36 international distributors and/or agents or contractors. These deals facilitated new investments of NTD 85.32 million to create NTD 25.17 million production value.

It is a long-term commitment to maintain the brand image and exposure of Taiwanese agricultural technology products. COA continues to support agribusinesses to attend Petfair Asia in China, AgriWorld in Japan, and the first attendances of SIMA ASEAN in Thailand and Viestock Expo & Forum in Vietnam. There are 36 agribusinesses participating in these four exhibitions, which was estimated to have 234 contractors of international distributors and agents to create NTD 40 million in sales value.

The rapid growth of ASEAN economies already raised the regional market demand of agricultural supporting facilities and safe meat products. According to the analysis report by the Agricultural Research Institute, the Thai market is the most promising market for Taiwanese agricultural equipment suppliers, particularly our competitiveness in sprayers, lawn mowers, and cultivators. It is estimated that the sprayer market will achieve to a USD 36 million of sales in Thailand in 2018, with an annual growth rate of 8.4% in the next five years. In Vietnam, it is estimated to generate a sale of USD 16.7 million worth of production value in feeding additives. As animal farmers there have been encouraged to replace additives with probiotics, it is a good opportunity for our non-additive feeding suppliers to enter this new market.

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