OPTAGRI
Optimizing Agro-Industry

CASE STUDY : SUMMARY

Objective: How can OptAGRI help the 'X' Storage Organization ('OS X') to offset the decline in the sale of phytosanitary products by increasing the profitability of the grain collection?

What problem is OS X facing?

Nicolas Dupont, Head of Cereals, in a French Collecting and Storage organization notes changes in the plantings within his territory; some species are up, others are down.
- How to quantify the evolution of these sowings?
- What is the collectible volume per species in the collection area?
- According to this collectable volume, how to set a specific objective by Sales Person, at the beginning of the season, whether in tons or in market share?
- Then, after the harvest, how to estimate in a fair and equitable way the performance of each sales person? Etc.

Given the decline in some specific crops, the competing collecting organizations, active in Nicolas' territory, also have problems maintaining the volumes to be collected within their territory and are probably setting up aggressive volume collection policies (price increases, building of new collection sites, headland removal).

In addition, Nicolas knows that the effects of the 'Egalim law' mean that in the future the profitability of crop collection will have a greater impact on the income statement of the OS than in the past. Nicolas must react by equipping itself with the appropriate tools.

The Solution suggested by Optagri.

As a first step, Optagri made a 'state of the premises' for each of the collection points of OS X. This inventory allows OS X to determine accurately and objectively, the volume, in tons, available around each of the collection sites.

Then, a history of the crops was ascertained. It has been calculated that between 2015 and 2019, wheat is down by 16% while tubers (potatoes and beets) are up more than 40% over the same period.

Competitors were also scrutinized by Optagri. For example, after analysis, competitor 1 has a theoretical market share of 42% over the area. After having determined the influence of each of the competitors and the available potential per species on the area, Optagri is then able to :
(i) allow OS X to compare its real market share with its theoretical market share.
(ii) produce a map showing areas with high volume potential and low competition.

With this in mind, Nicolas now has now relevant information to implement a reasoned growth policy, adapted to the reality of its territory.

As a second step, Optagri has created a specific area for each Sales Person. From now on, Nicolas Dupont can determine a target in tons and market share per species at the beginning of the season for each of his sales people. In April / May, Optagri delivers an update of the actual sowings for each area. Nicolas Dupont can then adjust, if necessary, the sales objectives according to the exact sowings.

The goal for Nicolas Dupont is to develop, in the long term, in cooperation with his Sales reps and OptAGRi a 'qualified' agricultural grid allowing to determine with precision the ownership of each of the parcels available in the area of each of the sales reps.

The goal is to identify parcels belonging to farmers who do deliver to OS X and parcels of farmers who do not deliver to OS X.

About Optagri

Optagri provides Decision Support Tools (DSTs) to Storage Organizations (cooperatives or trading companies) based on the analysis and provision of geodata on their territory.
The core of our value proposition is based on the identification of large scale cultures from satellite data (multispectral orthophotographs and radar data). This crop identification, for the current year and past years, allows
(i) objectively evaluate collection potentials as well as
(ii) sowing trends, zones by zone.

A complete version of this business case is available on request from Philip Wittmann at the following email address: pw@optagri.com or by phone +33 7 56 89 18 84.