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RDO Heads South for the Winter

Research and International Focus Contributes to Sales in Australia

RDO Equipment, headquartered in Fargo, North Dakota, operates dealerships and farming operations across the Midwest and into western United States. RDO is the world's largest dealer of John Deere agricultural machinery. With a large inventory of used equipment, RDO's international business team wanted to identify a market for machinery in Latin America, a region where they saw opportunity but hadn't had many previous sales. They also wanted to identify top potential export markets for refurbished construction machinery, as their previous export experience was primarily with ag machinery. They decided to take an integrated approach by enlisting the US Commercial Service (CS) in Fargo, North Dakota to research the best markets for both sectors.



RDO sought market research in both ag and construction markets

RDO decided to proceed with a Rural Intel Service report, where CS North Dakota staff combed through data from multiple subscription databases on trade flows, import duty rates, and shipping data to compare key market characteristics. Using their unique research process, CS North Dakota created a worldwide ranking matrix of the most accessible countries for used construction equipment and a regional matrix for ag machinery in Latin American countries as a way of helping RDO Equipment select the top markets for in-depth research. CS North Dakota assessed each of the selected countries by identifying local challenges and opportunities and compiling a list of potential clients from many sources. RDO's Matt Morrison said "I use the matrix on a weekly basis when considering countries to expand into. This research would have taken our team an extremely long time to compile and would have been a big investment."

With this valuable research in hand, RDO Equipment began to pound the proverbial pavement. They contacted individual companies and traveled to several industry trade events while coordinating with the US Commercial Service for several Initial Market Checks and International Partner Searches – where in-country staff reach out to potential buyers in their own language to gauge their interest in dealing with RDO. As they have expanded their network and increased their knowledge about the potential markets, RDO has continued to look to overseas CS offices for country-specific counseling.

Through these efforts, in early 2019, RDO sold several construction units in Australia, and made several connections in various countries. They also recently hired a Spanish-speaking student (referred to them by CS North Dakota) to assist with ongoing Latin American outreach.