



SECCO INTERNATIONAL

NEWSLETTER

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SECCO EDITORIAL

A worldwide late spring did not affect or slow down new buildings and expansion projects for dairy farm within the Secco International dealer's network. All the projects collected from previous trade shows are getting realized as the quick changing weather allows it on the different continents of this 2013 spring. Following up the introduction of the MAXIMUS ELITE control and ELITE DAIRY program at the EuroTier 2012 and various shows, the Secco sales force continued its training and sales presentations of these two high-tech innovations with a MAXIMUS ELITE training day for its Quebec dealer network. The session, being led by the Quebec Sales Manager Mr. Yvan Blanchette, was very appreciated and a successful event. Our Quebec dealer network is always seeking the most recent technologies and has welcomed the MAXIMUS ELITE with great enthusiasm. Many of our innovations are taken in charge and developed by our research and development department and firstly introduced to the Quebec market to test its performance and resistance to the weather conditions within a dairy industry with world-renowned standards. This process allows us to go through our quality control and adapt to our expanding international markets. The need for farm tasks automation is increasing quickly and is inciting companies such as Secco International to constantly develop new technologies that will enable performance maximization and a better quality life for dairy producers.

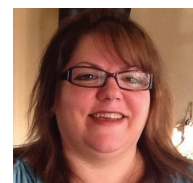
As part of the ongoing Secco dealer network development, we had the privilege to host new partners from Japan and Finland to our main office for industrial visits as well as product and service training. These business relationships allow Secco to maintain and expand its expertise and leadership of integrated ventilation systems in new emerging markets. There is a great will to upgrade milk consumption up to North American and Western Europe standards; this creates a strong growth dynamic on certain countries such as China and Russia as well as Eastern Europe & Central Asia and stimulates governments and corporations in accelerating and multiplying investments into dairy productions.



Last March, our sales force has grown once again with the arrival of Mr. Fredrik Bentzer as Sales Manager for Northern Europe and Scandinavia. Mr Bentzer, based in Sweden, has over 20 years of sales experience with various companies with products and services in the agricultural industry. With his strong expertise and knowledge, he quickly implemented his business development skills to consolidate

Secco already well-established leadership in Europe. Without any doubt, he will contribute to the expansion of Secco International's markets and the official establishment of Secco Europe.

Another addition to Secco International main office in St. Hyacinthe occurred in March. Mrs. Sandra-Lynne Côté has joined our customer service department as Customer Service Coordinator (International Sales). She will assist and take care of our sales managers and customers for all our international markets. She also cumulates over 20 years of experience in customer service and major accounts managing. Since her arrival, she already contributed with her strong proactive experience and rigour to our customers follow-ups and satisfaction. Secco International is very happy to welcome two driven professionals who endorse the values and the corporate image of our company.



Our semi-annual results enable us to confirm the constant worldwide milk consumption growth. We are facing many upcoming challenges in emerging economies. Thanks to its expertise and proven leadership for integrated ventilation systems and optimization of dairy production barns, our strong sales team will pick up these challenges with brio!

Dominique Lamarre
Customer Service Director

SECCO PARTNER

Norwell Dairy Systems Ltd. employs over 100 people and is proud to be one of the most prominent Dairy Service Providers in Ontario. We have four locations in that province: the main office just outside of Drayton; the second one in Woodstock, on three acres, one mile south of the 401, on Hwy 59; the third one in Oakwood on Skyline Road; and we are proud to announce our most recently location in Brinston, which will serve Eastern Ontario.

Norwell Dairy has grown to provide services to dairy farms throughout Ontario with over 1,700 customers. We remain dedicated and thankful to that small and loyal group of dairy farmers in the Drayton area who helped start Norwell Dairy back in 1982.

Norwell had humble beginnings. The company started by acquiring a Universal dairy equipment dealership from H & N Dairy Equipment in Walton, servicing a small but already established customer base. As the business was increasing, so did the number of employees. In 1989, Norwell Dairy Systems Ltd. was featured in *Small Business Magazine* as one of the top 50 fastest growing businesses in Canada.

Many of the types of equipment offered by Norwell have remained the same. In its early history, Norwell sold a complete line of milking equipment, dairy and hog stabling, and until 1986, also some manure-handling equipment. With a focus on the needs of the dairy farmer and looking at services already offered locally, the decision was made to drop manure-handling equipment

and expand into milk cooling. Norwell thus acquired the Mueller dealership and ventured into refrigeration.

Today, Norwell Dairy Systems Ltd. handles a complete line of dairy equipment: Germania/DeLaval milking equipment and after-market products, Mueller coolers (new and used), DeBoer & Artex stabling, pasture mats, and a line of rubber alley mats, along with various other products.

Due to ongoing demands for high quality natural ventilation, in 2011 Norwell began to sell Secco products. We are excited about the possibilities of the Secco products and look forward to a steady growth in this product area.

Sincerely,

Rick Bauman
Director Sales and Operations
Norwell Dairy Systems Ltd.



SECCO INTERNATIONAL CUSTOMER TESTIMONIAL

ARNIS AUZERS, SIA (OGRES PIENS) – LATVIA

In June 2012, Secco Ventilation (Division of Secco International Inc.) concluded a partnership agreement with the SIA (Ogres Piens) group for the elaboration and set up of a unique integrated ventilation system in Europe. Based on the ELITE DAIRY program concepts and modules, Mr. Arnis Auzers, representing the investors group and Mr. Stéphane Cloutier from Secco International, combined their efforts and experience to achieve and conceive an integrated ventilation system using natural ventilation and mechanical ventilation.

Indeed, our collaborator and Secco International dealer in Estonia, Latter NT, installed a complete multi ISOCELL membranes system of various heights, eight (8) powerful BIG AIR ceiling fans of 24 ft (7.32 m) diameter, an ammonia extraction system with axial fans in the barn and last, but not the least, the first MAXIMUS ELITE electronic control system in Europe.

The building specifications were the following: the main barn is 30 m wide by 151 m long, housing 320 lactating cows. To this main barn, we added a calf barn, a maternity room as well as a milking parlor.

After one complete year in operation, we are more than pleased and satisfied with the results. We experience now a stable temperature in the winter, an excellent extra ventilation in the summer as well as a numerous indicators and readings supplied by the MAXIMUS ELITE allowing us proactive real time management and data to take quick and strategic decisions. All these parameters promoting a sound management system, reminded our investors group the importance of dealing with qualified specialists, with solid expertise and leadership in integrated ventilation system such as Secco International.

Arniz Auzers
SIA (Ogres Piens) - Latvia

FUTURE FARMING

Secco International is a partner of the Global Dairy Farmers Network. GDF is a network of leading dairy farmers and business partners from all over the world. We share knowledge and new developments in dairy, do our own research projects and organize a business trip/congress at least once a year. The contacts within the network make it possible for both dairy farmers and business partners to maintain their strategies better aligned with market developments, and therefore stimulating new innovations. The Global Dairy Outlook, issued by GDF, brings these developments in sight from different perspectives and from all over the world. The ever present topics are sustainability, energy (sources), people/planet/profit, macro and micro economics and many of these stem from trends within the specific region and/or country. From our experiences and found in all farming communities are the following trends:

1. Decoupling of the relation between feed, oil and milk prices



There is a growing volatility for feed and milk prices and the relationship between these are decoupled. This leads to a higher uncertainty in what prices to expect (and possibly predict) for the future. Competition (on land) between feed-food and fuel also stimulates more volatility and uncertainty for prices in the future. Also, the behavior of banks makes it more difficult for farmers to do new investments, as a higher solvency and better return on investment are required. They are very hesitant to give loans to farmers. We believe that the banks must value not only the financial business case, but also the farmers strategy and entrepreneurship. Therefore, there is more need for risk management on farms, the world market will be volatile and markets are changing. Keeping track of your farm figures and working together on vertical and horizontal level is key!

2. Management gap, especially in developing and emerging markets

We see difficulties in finding enough and good qualified labor for our growing and often more atomized farms. Especially in emerging markets the need for (qualified) labor grows at a fast pace and fulfilling this demand is an important task for the future. In addition, in many countries, there is a lack of successors and this makes the continuity of many farms uncertain.

3. Communication

What we see mostly in Western oriented countries and in our own region is the question from society regarding the need to earn a license to exist as a farmer. Farmers need to communicate with their peers and explain what they do and why. In our own region (Netherlands) there are farmers taking the initiative in farm education projects, students visiting the farm. Farmers market and shorter (supply) chains are developments also seen in Western Europe. At the same time, it is noticed that not just farm economics lead to success, but the balance with the environment and the investment of own labor and work pleasure is just as essential to be successful in farming.

As Global Dairy Farmers we try to offer specific regional information to our members and partners— keeping up with worldwide changes and keeping track of our goal and not the least: how we can feed tomorrow's world together.

Elise Keurentjes
Global Dairy Farmers
Group Manager



INNOVATION FROM SECCO INTERNATIONAL

In the pursuit of excellence of its ELITE DAIRY program, Secco International continues the development of its products and components that will complete the four modules of the program.

The fourth module: Complementary Regulation Module, features components that support and reinforce the natural and mechanical ventilation. After a two-year research and development process, Secco International reveals its latest creation of the ELITE DAIRY program, the ceiling fan (HVLS): **BIG AIR MAXUM XL**. This high-performance ceiling fan (HVLS) will perfectly fit in the components of modules 1, 2 and 3 of the ELITE DAIRY program.



MAXUM XL MODEL

The **BIG AIR MAXUM XL** was designed with superior standards and characteristics to equivalent products on the market. Its main characteristics are defined as follows:

- The most efficient fan on the market with an unmatched airflow per consumed watt
- Very light 6-blade fan without maintenance
- Reliable mounting system completely isolates the fan unit from the facility structure. The system prevents any vibration or movement from the fan being transferred back to the structure

- Extremely quiet even at high speeds
- The SEW Eurodrive gear motor technology is a modular system complete with an energy-efficient motor and an adapted gear unit optimally matched to each other. Without couplings and transmission elements, this high-quality system represents the optimum drive solution
- Perfectly reversible for year-round use
- Anti-corrosion anodized aluminium aerodynamic blades
- Easy variable remote with a reversible function
- Covers a very large area

There is no doubt that the **BIG AIR MAXUM XL** (HVLS) fan will effectively complete the ELITE DAIRY program with its effectiveness and high performance. Furthermore, its vocation is not limited to the agricultural industry. In fact, we had very good comments from users in the industrial and commercial world who want to maximize ventilation, as well as reduce heating and air conditioning costs. Its use will support a great optimization program for dairy production while enabling profitability and meet respect of worldwide environmental norms and regulations.

DIA.	DRIVE	HP (KW)	VOLT	PH	AMP	RPM	HZ	REAL WATT	CFM (M ³ H)	DB NOISE	BLADES	HANGING WEIGHT	SPEED
20' (6.1 M)	DD	1.5 (1.12 KW)	230/460	3	4.85/2.4	73	50/60	1154	242 572 (412 132 M ³ H)	61	6-ALUM	224 LBS (101.8 KG)	VARIABLE
24' (7.3 M)	DD	2 (1.50 KW)	230/460	3	6.2/3.1	73	50/60	1443	405 961 (689 732 M ³ H)	63	6-ALUM	243 LBS (110.5 KG)	VARIABLE



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