

How EOY winner built a business

Johan Eksteen, owner of Agricon, was named overall winner of the 2016 Entrepreneur of the Year competition. He shares his success story.

While completing his master's degree in sustainable agriculture just over 20 years ago, Johan Eksteen discovered a need for pelleting machines suitable for the requirements of African farmers.

Back then, Johan noticed these machines could only be imported from Europe or the US and were mostly geared towards large-scale production, which was unaffordable and impractical for African smallholder farmers. So he started Agricon Pelleting to manufacture machinery more appropriate for the local and pan-African market.

Johan Eksteen, 2016 Entrepreneur of the Year (right), with colleagues Mzolisi Ngxoni (centre) and Elliot Klaas (left).



What are pelleting machines?

Pelleting machines are used to process organic material into small, dry pellets for animal feed and fertiliser.

eoey
entrepreneur of the year®

Market leader

Today, his business has grown into a market leader, exporting throughout the continent. On being named overall winner of the 2016 Entrepreneur of the Year competition, sponsored by Sanlam and Business Partners, Johan says, 'It's been wonderful and it's free advertising. It's done so much in terms of putting my business out there – and just having others recognise that all my hard work was worth it.'

African orientation

Part of the company's success comes from manufacturing pelletisers that run on single-phase power – the kind found in most homes. One machine can also pelletise a variety of substances, for example, plant matter into feed, and animal waste into fertiliser. Agricon invests in educating customers on the different ways the machines can add value to their farms.

'We also allow customers to trade in their machines. So if someone bought a machine with the capacity to produce half a tonne of pellets per hour and all of a sudden his market has grown and he needs to produce a tonne per hour, we provide very good trade-in values because we want to retain that customer's business,' Johan explains.

The company also focuses on after-sales service and maintenance as a way of competing against foreign suppliers.

'I think our service orientation for the African market is one of our successes. If a customer struggles with a machine, he can pick up a phone and speak to somebody or we'll send him a technician, which you don't get from your European, American or Asian suppliers.' ■

Johan's business advice

Entrepreneurs have a natural ability to spot opportunities, and those most likely to be successful are able to start their businesses without external investment, Johan says.

If you need money from investors to start a business, you probably won't be able to get that business up and running, he warns.

'To be an entrepreneurial success, you need to get cash flow into your business – not from banks and investors, but from product sales.'