



With a new generation in charge, Don Mario is committed to stepping strongly in the U.S.

The Argentine group, which will have a new number one next year, plans to reach 2027 with 10% of the North American soybean market that moves \$400 million and grow in corn in Argentina and Brazil.

Ignacio Bartolomé always knew that if he wanted to have a position in the family business founded by his father Gerardo he could have it. However, he preferred to try his own way. He studied Systems Management at ITBA, a career in business management, but which integrates technology as a business support. Once graduated, and after spending a year in the pharmaceutical industry he entered Dreyfus, the grain trading company that took him in Argentina, moved him to Uruguay and then to the United States. In the middle of this tour, Bartolomé declined positions in GDM several times until finally, in 2017, he decided to accept a position in Don Mario, to develop the family business in that market, a country where he had been living in for a year.

Three years later, he is still there, preparing the expansion from the southern U.S. to other regions and initiating the entry of the company that, formally in 2019, ceased to be called Don Mario to become the holding company Grupo Don Mario or GDM - as they call it - to Canada.

However, he already has a return ticket. It has already been announced that next year, 2021, he, at just 34 years old, will take over the group that was born as a seed company and today is an international genetic improvement firm that allows to increase the productivity of the fields of producers so that they can have more profitability. "Today 50% of the workforce - 750 employees – works for research and we reinvest 21% of turnover. They are high levels," says the young entrepreneur.

It is not the only change that will occur in the company: Obdulio San Martín, Business Director of South Latin America, a historic figure of the company, also retires and will be replaced by Santiago De Stefano, of the same age as Ignacio and who today is the Business Director of Brazil. "There is a change of generation in the industry, in the producers and, also, a very strong change in the technology and methodology that is used. That's why my father felt it was time to make way for the new generation. It was his decision to retire," Says Bartolomé.

With generational change decided, the company has also set its priorities for the next ten years: the first, to grow in the soybean business in the U.S., a market of \$400 million in which they just started and have 1.3% of the cake with expectations of reaching at least 10% of the market by 2027.

The biggest revenue in that country comes from the licensing business. "We develop a variety, license it to a multiplier seed company that multiplies it, sells it to the producer and pays us a royalty per bag sold. That's the main business because there are 120 independent companies here," explains Bartolomé, who



gives more numbers: "The cost of genetics per hectare in Argentina is us\$4 and in the US it is not the most important cost. Nearly \$15 because there's more investment in technology."

The other channels of the firm are: the Don Mario brand that was launched in partnership with several local companies, where each firm has a region. In addition, they have the Virtue brand that is non-GMO soybeans. And finally, last year they bought 80% of Mustang, a South Dakota seed company that produces and sells to the producer.

The 2027 target is not unattainable given that today GDM – in the United States Don Mario is only a brand – is present only in the south of the country, in states that account for 12% of the American market. And there, where they are just seeing the results of the seeds sold in the first year, they own 6/7% of the cake.

However, the heart of the soybean market is in the midwest, 85% of the market and where GDM has already started with research and will now launch the commercial side.

In that country, the locally sourced firm has three research centers or breeding stations: one in Arkansas; one in Illinois, near Chicago where Ignacio is now; another in Minnesota and next year they open one in Iowa, which will supply the northern region and represents the entry to Canada, where it already holds wheat licenses. "With these four centers we can provide products for the entire United States," says Bartolome, who details the market study they did to enter that northern country.

Among The American producers, says the agro entrepreneur, the name Don Mario had a lot of impact and that impact became positive or negative according to the story that was told afterwards. "The fact that it was a family business from Argentina that grew and became a leader in the region was very positive. They see us as competitors," says Bartolomé. In fact a partner said to them, 'Here they are something new, new; but proven.'

And in fact, being present in the United States opened many doors for them. "We're on several research projects with universities, start-ups and companies here," he says.

The second priority is to maintain the leadership position in Brazil where today they have 55% of the market. And thirdly, develop the corn market in that country and grow in Argentina, where they almost reach the roof in soybeans. "In Brazil we just started the first products to be sold next year," Bartolomé advances.

In turn, the firm is doing research and development in China, considered a technology generation center especially in the information part. "We want to be there to start doing some collaborations with companies, as we do in the United States," he says.



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