

Out of these companies I thought John Deere was the most interesting. I thought Randy was a great speaker and really enjoyed listening to him. John Deere truly has a large task to accomplish in the next 40 years because of the global population growth and it's need for food and infrastructure. I thought it was interesting that the growth of the company will occur in other countries such as the BRIC countries. Randy said with all of this growth the company really had to focus on building a world recognized brand like it had here in the U.S. I thought it was interesting when Randy talked about the process of globalization the company has dealt with. I liked how he was honest and said that there have been many times when the company tries to move into a new country and fails. John Deere has learned a lot of lessons from those failures and is learning how to expand into other countries successfully.

William Keiser, BSM 2013



Randy Sergesketter, John Deere
John Deere's Global Growth Strategy
By Jose Espinosa

Randy Sergesketter began with a very impressive message that when analyzing your business you always need to think about where the opportunities for growth are. John Deere is a company that is specialized for the North American market, but they realize that they need to keep making money and that means investing globally. Specifically, they invest globally to support their company values of feeding the world, supporting stakeholders, growing the business, leveraging larger growth opportunities outside the US, confronting competition (even if it means going on their turf), and leveraging local lessons. Lessons learned can be applied to other countries and improve overall competitiveness for the company. Eventually they will be able to deliver more frugal options, including in North America. One of the main challenges

facing John Deere is that they are so specialized in the North American market, but they can't just take this model and transfer it to Brazil and Asia for example. They have to understand the global industry, get to know these new customers and their requirements, account for local regulations (tariffs), find out how competitors react and in fact anticipate their reaction, and finally look at bandwidth and capability. Another challenge for John Deere that the speaker mentioned was seasonality. How do you adjust your capacity? You have to find a willing workforce; suppliers and high overhead costs need to be accounted for. Randy also brought up a great point about manufacturing; manufacturing is all about flow, density, and velocity as it pertains to operations in the plant. Finally, the speaker ended with an example of globalization issues in India. He went over joint venture complexities, understanding customer requests, coming up with frugal products, and finally developing a cost effective and capable supply base.

“Not only did he bring up excellent points with the current business of John Deere, but he also was a living, breathing representation of the culture that is present at Deere.”

—Matt Larson, MBA 2014

