



Pulling Power



Mark Leonard's Old Jinma friend is now Factory Manager

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Mark Leonard made friends and money with Chinese tractor makers like Jinma Tractor factory, Benye Tractor factory, Shanghai Tractor Factory and Tianjin Tractor Factory.

Mark Leonard came to China in 1988 to look for affordable tractors to Market in the USA & Canada. Chinese Tractor Factories refer to Leonard in reverential tones as the "Father of the modern Chinese Tractors". It all started in 1979 when he bought three tractors from a neighbor. The three machines ranged from a

15 hp & 25 hp to a powerful 50 hp 4WD model. The machines were worked hard on Leonard's 60 acre Farm in LaCenter WA. "They were very simple, strong and durable," recalls Leonard. Leonard began thinking about selling Chinese tractors to the American small acreage farmers. As a salesman, Leonard had built up several businesses such as ShoreLand'r Boat Trailers, Pro Line/ProMark hip waders , Buzzbomb fishing lures and had been a long time rep in the Sporting Goods Industry.

"I was interested in selling these tractors, since they were good value," he recalls. In 1988 Leonard contacted the SWT factory to get a crankshaft for one of his machines. Happy to hear from him, the Shandong bosses suggested he come to China to talk about sales in the US. " I decided it was a good idea." Leonard claims he was the first US tractor buyer into China. He wasn't entirely prepared for the culture shock that awaited on a balmy summer's night on the other side of the Pacific.

"When I got off the airplane in Shanghai's "old" airport, I thought I had arrived in India. So many people!" People were very friendly, recalls Leonard, "but guarded in what they said." The roads were poor and the air pollution bad compared to today, recalls Leonard, but the people were "very honest." After visiting the Shanghai Tractor Factory the trip took him southwards to the Ningbo Benye Tractor Company. Leonard decided on Benye out of the various firms he saw in the south. Bosses were friendly and honest. "At that point I had never dealt with any Chinese people and I don't think they had dealt with any Americans. Nobody knew exactly what was possible."

Iron fists

Leonard chuckles on recalling the hard beds he slept in while crossing China with his agent. Apart from Benye, Leonard

wanted one more deal before going home. Browsing a pack of photos handed to him by his agent, Leonard picked up on design features of a small company in Jiangsu called Yancheng Tractor Company, also known as Jinma. Discouraged by his agent – "he said nobody ever heard of that factory" Leonard's eye for a good tractor told him to go.

A long and bumpy road ride into Yancheng was worth it. "Once I went to the factory, I knew they were people I could do great things with. Run by a Mr. Chen, the factory "would jump at making every change I wanted" to its 18 and 22 horsepower tractors. Keenly aware of what America's farmers wanted, Leonard put his own Rhino International brand name on the tractors and traversed American farming country to convince 150 dealerships to take his Rhino tractors. His selling points were simple: The durable, affordable machines beat the competition; "I told them the Chinese tractors were far better quality and design."

With sales growing, Leonard flew back to help his Chinese suppliers add new technology like power steering. "In many cases factory bosses who ruled with iron fists were able to get things done fast."

Handshake trust

Leonard credits his friendships in China with his success and thinks foreign businessmen, such as those portrayed in Mr. China, run into trouble dealing in China because they are not patient, do not communicate clearly, and do not have a close enough relationship with those that they deal with."

Chinese factory bosses and technicians came to the US to visit his company to share knowledge on parts and repairs with Leonard's mechanics. "We became best friends." They learned about

technology and how to improve production, he recalls. "Most importantly they learned about how we use tractors and their expectations."

It was a business built on trust. Leonard had an agreement in writing giving him Exclusive Distribution rights. But when it came to money the partnership broke all the rules. "We had 'handshake trust' and I always felt that trust was stronger than any agreement in writing."

Under the arrangement the Chinese factories, had more flexibility to ship whatever machines they had ready while Leonard simply had to pay within 90 days. "I worked with them on taking products they had available and they gave me easy way to pay. I was never late."

Changed Market

Eight years into the business Leonard sold out to the larger Alamo Group. By that time his purchases from China had hit \$2,300,000 every quarter. A non-compete clause in his deal with Alamo kept him out of the tractor business for three years. But in 2004 an old Chinese friend convinced him to dip his toe back into the tractor market and Tytan International Inc. was born.

Leonard has spent five years developing his Tytan line of tractors that will be marketed under the slogan '**Simple, Strong & Affordable.**' Leonard has got the connections in China to once again take the lead. In the US Leonard has prepared a plan to attract Dealers and will also soon open his own stores as well. He predicts Tytan "will evolve into a very large company."

Where Leonard forged the path, others have tried to follow. Large multinationals had been watching Rhino International Inc with its

rapid growth . The Company who purchased Rhino from Leonard ,after a few years ran into a conflict that resulted in it backing out of the Tractor business, leaving the original Rhino factories on their own. The world's biggest farm machinery maker, John Deere, took the Benye & Tianjin Tractor Factories. Ford New Holland took the Shanghai Tractor factory, and Mahindra grabbed Jinma and Feng Shou. These were the factories Leonard had worked with & developed.

"They only went after the tractor factories that I had developed, says Leonard". Mark Leonard has the title in China as the "Father of the Chinese Tractors in the USA and the one who first developed the Chinese Tractor factories." *Translated Version*