

Chair Paul Holvey & Members of the House Business & Labor Committee
Chairman House Business & Labor Committee
900 Court St. NE, Salem H-277, Oregon 97301

Dear Representative Holvey & Committee Members,

I am Denzil Robbins, President Robbins Farm Equipment Inc., Baker City with branch locations in Burns, Oregon, Christmas Valley, Oregon and La Grande, Oregon.

I am writing to ask for your support of HB 3164.

I have been in the farm equipment industry since 1970, starting with a Case and Hesston dealer as a service technician. In 1976 I worked at a local John Deere dealership as the Service Manager. In 1985, I took on the Hesston line, becoming a full service dealership, selling Fiatagri - Hesston tractors and Hesston hay equipment. In 1991, Hesston Corporation was purchased by an up and coming company known as AGCO.

Since then we have taken on AGCO's Massey Ferguson tractor lines, as well as retaining the Hesston Hay Equipment line.

Over the last twenty four years, we have gone from a small repair shop to one of the top fifteen AGCO dealers in North America. We have received many awards over the years, such as:

The Hesston Presidents Club - & Top Volume Dealers of North America - 1994, 1998, 2000, 2001, 2002, 2004, 2005, 2006 and 2007

AGCO's Circle of Excellence- 2000, 2006, 2008, 2009, 2013 and 2014 (top 20 AGCO dealers in North America).

I am sharing the above information to let you know I have a long history of being an AGCO dealer and have served them well.

I am asking for your support of HB3164 for the following reasons:

Farm equipment dealers each have a geographic Area of Responsibility (called an AOR). Robbins Equipment has a geographic area assigned to it by our manufacturers where we are to sell equipment and meet the expectations and requirements of the manufacturers. For decades we have understood that our AOR belongs to us where we are to conduct business and meet the Market Share requirements of the manufacturers we represent. We also understand and recognize that any dealer, with the same supplier, may sell equipment to our customers in our AOR. We are okay with all of this and have accepted this as a part of doing business within the free-trade system.

What we are not accustomed to is when AGCO allows a new or existing dealer to have a new contract for the same product line as an existing dealer and within that existing dealer's Area of Responsibility. This occurrence has been fully recognized by many of us as harmful to existing business owners, and not in conformance with the intent of Dealer Protection Statutes or our understanding of the industry practices. It has been my understanding that if we are to be held responsible for selling machinery within our trade territory, spend a lot of capital building a building, buying inventory, investing in employees, and paying out other expenses then our suppliers would not allow another dealer to establish a physical presence (location) inside our assigned trade area.

We believe the passage of HB 3164 will make it clear to the suppliers and manufacturers such activity is a violation of the state law.

Dealer contracts may be terminated for various causes. The cause determines the timing of the termination notice, the cure period, and when termination is effective. The bill cleans up the ambiguity in the current statutes relating to the time periods for termination of the dealer agreement by the supplier.

Sincerely,

A handwritten signature in black ink, appearing to read 'Denzil Robbins', with a long horizontal flourish extending to the right.

Denzil Robbins, President
Robbins Farm Equipment
3850 10th St
Baker City, OR 97814
1-800-743-5924
denzil@robbsfarmeq.com