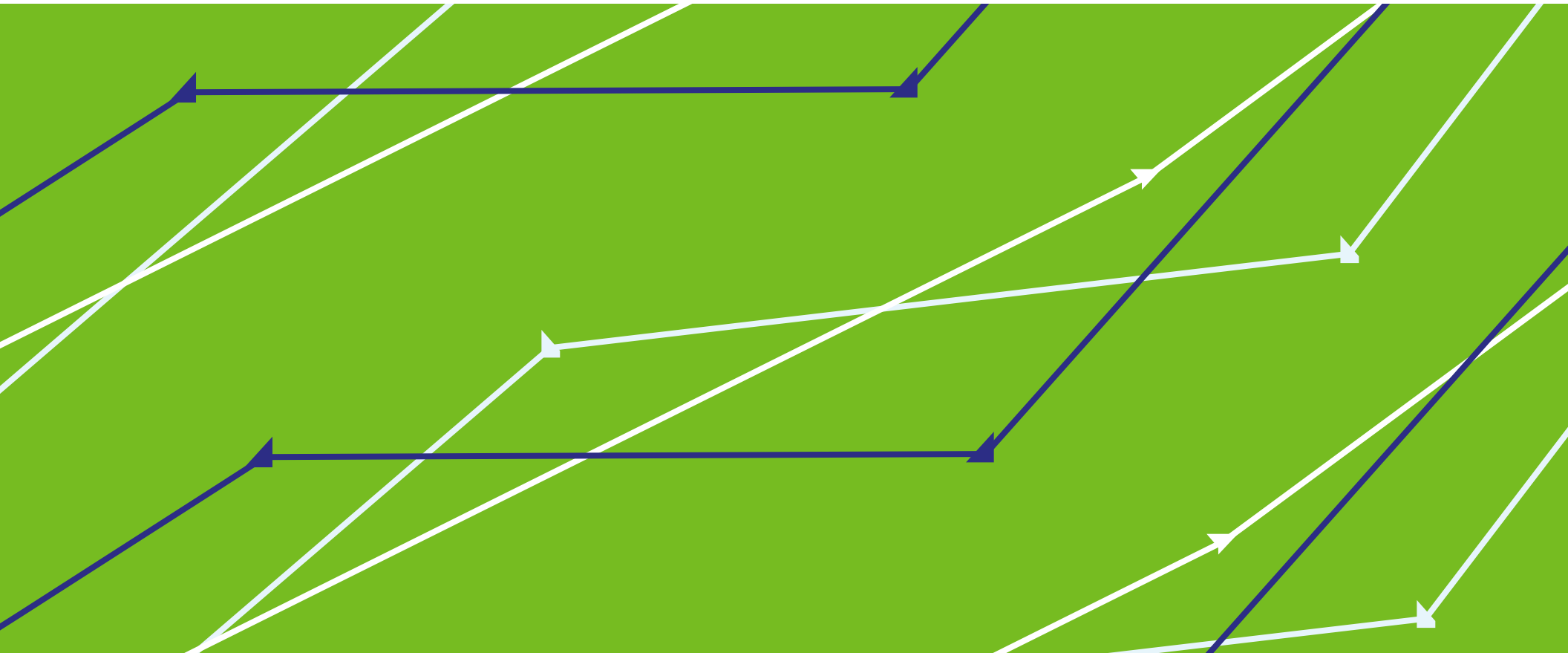


CASE STUDY

POST-ACQUISITION SUCCESS





Background

Proceres, established in 1978, is a leading software provider for the Grains, Oilseeds, and Agronomy markets. In 1999, Proceres was purchased by John Deere Agri Services Incorporated.

CHALLENGES

During the years under Deere ownership, Proceres developed solid relationships with many US Grains and Agronomy companies but struggled to find the right strategic fit within a renowned manufacturing organization like Deere. New leadership at Deere came to realize that its core manufacturing business was too far removed from Proceres' vertical market software niche and as a result, began looking for opportunities to spin off the Proceres business to a solid, long-term player in the Ag Software space. Key criteria for this new home for Proceres included commitments to employee development, a passion for agricultural technology, customer centric thinking, and an organization on solid footing to make continued investments in the Proceres business.

THE DECISION TO SELL

Deere had two strategic options to consider. They could consolidate Proceres into one of the few remaining but smaller Ag Software players in the US or find a new owner willing to maintain autonomy and grow the business. Given the key criteria set out by Deere for the divestiture, the latter of these two alternatives presented the most attractive way forward. Cultura Technologies, a recognized specialist in operating Agri-food focused software businesses, had been in contact with managers at John Deere in the past and were looking to make further investments in the US Ag Software marketplace. Managers at Deere recognized that Cultura's philosophy of acquiring good companies and helping them become great, through leveraged expertise and resources, was a perfect fit for

Proceres' needs. Moreover, the executives at Deere were impressed with Cultura's track record of success, as well as its philosophy of buying companies for the long-term. As such, they were confident in Cultura's ability to help take Proceres to the next level, while providing a permanent home to their customers, products, and staff.



Cultura and Volaris Group were able to provide support and guidance, but ultimately left it up to us to make our own decisions.

Lyle Hartz, General Manager, Proceres

POST-ACQUISITION SUCCESS

Since the carve-out, Proceres has been able to achieve unprecedented levels of growth. Since being acquired, revenues increased by 70% in a consistently upward trend. This has largely been a result of Cultura's leadership team working with the managers of Proceres to apply Cultura's proprietary metrics, as well as putting the right methodologies and best practices in place to guarantee success.

The opportunities to network and learn from business leaders in similar industries has been crucial in driving ideas at Proceres. Cultura has been able to help the organization position itself for future growth by introducing new opportunities and advising on how to

take advantage of them. This has caused a greater emphasis on customer-driven innovation and created a better understanding of the international marketplace. Moreover, since Cultura's parent, Volaris Group, keeps its portfolio businesses decentralized and autonomous, employees at Proceres have a renewed sense of empowerment to run the business.

In the end, John Deere made an excellent strategic decision for Proceres and coming to that understanding was the best thing to happen to Proceres, customers, and its staff. Since joining the Cultura family, Proceres has been able to thrive and the future continues to look bright.

Let's have a chat about how we can develop your business together.

