

Press Release

The Newcastle based farmer co-operative Tynegrain has taken full ownership of Grainco, the grain marketing business originally founded by a 50:50 joint venture with Farmway.

Commenting on the deal, Tynegrain Chairman Charles Beaumont said: “Bringing Grainco fully into the Tynegrain Group will further enhance the services we offer to farmers in the North East, Yorkshire and Scotland and will help us expand our trading activities and strengthen our relationships with farmers in these areas. As a successful farmer-owned business, the producer’s interests are at the core of what we do”.

Established in 1996, Grainco offers arable farmers a wide range of grain facilities, including pool purchasing schemes, and specialist marketing expertise tailored to the individual farmer on a personal basis. With a trading area extending from Yorkshire to Aberdeenshire, the business currently trades around 1 million tonnes annually and has 24 staff based at South Shields and Turriff.

Gary Bright, Grainco’s Managing Director, added: “Grainco has a very strong track record of profitable growth and this deal gives us the opportunity to continue that trend. The acquisition of the shares was fully funded by Tynegrain, leaving Grainco’s balance sheet as robust as before.

As a business we are proud of our strong roots in the farming community and, with the backing of Tynegrain and our local farmer clients combined with the optimism in the arable sector, we are looking forward to an exciting future”.

Peter Hull Farmway’s Chief Executive said he felt the decision to sell the shareholding now was the appropriate time as it would allow Farmway to concentrate its efforts of the supply of agricultural inputs and its rural retail stores. With the significant rise in cereal prices and the development of the biofuel industry in the North East, it was felt that Grainco’s long term needs would be better served by one shareholder, said Peter.