

AGRICULTURAL EQUIPMENT SECTOR UPDATE

JULY 2026

The agricultural equipment sector remains highly concentrated, with a small number of manufacturers controlling the overwhelming majority of key machinery markets. Deere & Company, CNH, and AGCO continue to dominate tractors, combines, and other major equipment categories, while simultaneously expanding their control over precision agriculture technologies, software platforms, farm data systems, repair services, and dealer networks.

Recent developments suggest that agricultural equipment manufacturers are increasingly evolving from machinery companies into vertically integrated technology platforms. Rather than competing solely through equipment sales, dominant firms are investing heavily in connected machinery, precision agriculture tools, predictive maintenance systems, autonomous equipment, and digital farm management platforms that generate recurring revenue through software, parts, services, and data-driven offerings.

Unlike earlier periods when consolidation was driven primarily by mergers between machinery manufacturers, recent developments reveal a shift toward digital and vertical consolidation through acquisitions of agriculture technology companies and expansion of proprietary software ecosystems. As a result, consolidation in agricultural equipment increasingly overlaps with concentration in agricultural information infrastructure, raising new questions about competition, farmer autonomy, repair access, and control of farm-level data.

These developments reinforce the importance of treating agricultural equipment not only as an input market, but also as a critical component of the emerging agricultural data economy. The same firms that dominate machinery markets are increasingly positioned to control the collection, analysis, and monetization of farm-level data.

Market Structure and Concentration

Agricultural equipment markets remain among the most concentrated agricultural input sectors. While the available datasets measure somewhat different market categories, both demonstrate substantial concentration:

2026 data¹:

- All agricultural machinery: 55.7%-58.2%
 - Deere & Co.: 34.9%
 - CNH: 11.4%
 - Stanley Black & Decker: 6.9%
 - AGCO: 2.5%-5%

2018 data²:

- Large tractors: CR3 95%
 - Deere & Co.: 53%
 - CNH: 35%
 - AGCO: 7%
- Combines: CR3 97%
 - Deere & Co.: 60%
 - CNH: 30%
 - AGCO: 7%

These concentration levels provide dominant manufacturers substantial leverage over equipment pricing, dealer relationships, repair access, software ecosystems, and increasingly, agricultural data collection.

Regulatory, Legal, and Policy Environment

Right to Repair and Repair Market Access

The most significant policy development affecting the sector continues to be the growing challenge to manufacturers' control over repair markets and proprietary software systems. These developments build on years of debate surrounding farmers' ability to independently repair increasingly software-dependent equipment.

¹ Immerwahr, Vaughan. (2026, February 15). *Tractors & Agricultural Machinery Manufacturing in the US*. IBISWorld Industry Report 33311.

² Jennifer Reibel. (2018, August 29) *Manufacturer consolidation reshaping the farm equipment marketplace, industry consolidation part 2*, Farm Equipment.
<https://www.farm-equipment.com/articles/15962-manufacturer-consolidation-reshaping-the-farm-equipment-marketplace>

Following industry pressure, manufacturers have taken some voluntary steps to address repair concerns, including a 2023 Memorandum of Understanding between John Deere and the American Farm Bureau Federation. However, policymakers, regulators, and farmer advocates continue to push for stronger and more enforceable remedies.

Deere remains at the center of ongoing right-to-repair enforcement efforts. During the past year, the company reached a proposed settlement in a nationwide private antitrust class action that would establish a \$99 million settlement fund and require Deere to make certain repair-related commitments, though the agreement remains subject to final court approval.³ The size of the proposed settlement has drawn criticism from farm advocates, who note that it equates in value to roughly three ears of corn per acre, underscoring how modest the financial penalty is relative to the scale of impact.

At the same time, the Federal Trade Commission (FTC) and five state attorneys general negotiated a separate proposed settlement alleging Deere unlawfully restricted access to repair tools, software, and parts by forcing farmers and independent repair providers to rely on authorized dealer networks.⁴ If approved, Deere would be required to provide farmers and independent repair shops with the same repair tools, software, and documentation it makes available to its authorized dealers on fair and reasonable terms. The agreement would also prohibit Deere and its dealers from retaliating against customers who choose to repair their own equipment and require Deere to pay \$1 million to the plaintiff states.

The settlement would not affect separate private lawsuits brought by farmers. Although many farmer advocates view the proposed FTC settlement as a substantial improvement over prior voluntary commitments, they continue to identify potential loopholes and implementation questions that could limit its practical effect if not addressed before final approval.⁵

Both proposed settlements are currently before the same federal court, and final approval has been delayed while the court considers their interaction and evaluates objections raised by members of the plaintiff class.

³ Reuters. (2026, April 7). *Deere settles U.S. right-to-repair lawsuit with \$99 million fund, repair commitments*. Reuters.

<https://www.reuters.com/sustainability/boards-policy-regulation/deere-settles-us-right-to-repair-lawsuit-with-99-million-fund-repair-commitments-2026-04-07/>

⁴ Federal Trade Commission. (2025, January 15). *FTC, states sue Deere & Company to protect farmers from unfair corporate tactics, high repair costs*.

<https://www.ftc.gov/news-events/news/press-releases/2025/01/ftc-states-sue-deere-company-protect-farmers-unfair-corporate-tactics-high-repair-costs>

⁵ Federal Trade Commission. (2026, July 8). *Joint motion for entry of stipulated order for permanent injunction and other relief*. https://www.ftc.gov/system/files/ftc_gov/pdf/Deere-JointMotion-StipOrd.pdf

Additional developments include:

- **Environmental Protection Agency (EPA) actions supporting farmers' ability to repair equipment:** In February 2026, EPA published guidance clarifying that the Clean Air Act supports, rather than restricts, Americans' ability to repair their own equipment, and clarifies that manufacturers cannot use the Clean Air Act as justification for limiting access to repair tools or software. While the guidance does not directly expand repair access, it removes a commonly cited justification for repair restrictions.⁶
- **Iowa right-to-repair legislation advances:** The Iowa House passed right-to-repair legislation that would require agricultural equipment manufacturers to make documentation, parts, software, firmware, and tools related to repairing or maintaining equipment available to independent repair facilities and equipment owners at fair cost and terms. Its passage in the Iowa House reflects growing momentum behind enforceable agricultural right-to-repair requirements.⁷

Collectively, these developments suggest that policymakers are increasingly moving beyond voluntary industry commitments toward enforceable legal remedies that treat repair access as a competition issue. While the proposed Deere order could significantly expand farmers' practical ability to repair their own equipment, its ultimate impact will depend not only on effective implementation and enforcement, but also on whether the final approved order sufficiently closes remaining gaps that could allow manufacturers to preserve meaningful control over repair markets.

Agricultural Data and Privacy

As agricultural equipment manufacturers continue expanding their digital platforms and data collection capabilities, policymakers have increasingly begun scrutinizing questions surrounding ownership and control of farm-generated data.

The most significant development during the past year was Nebraska becoming the first state to enact legislation establishing explicit protections for agricultural data ownership and privacy.

⁶ U.S. Environmental Protection Agency. (2026, February 2). *EPA advances farmers' right to repair their own equipment, saving repair costs and productivity*. <https://www.epa.gov/newsreleases/epa-advances-farmers-right-repair-their-own-equipment-saving-repair-costs-and>

⁷ Opsahl, R. (2026, April 27). Iowa House passes 'right to repair' bill for farm equipment. Iowa Capital Dispatch. <https://iowacapitaldispatch.com/2026/04/27/iowa-house-passes-right-to-repair-bill-on-farm-equipment/>

The law grants farmers rights over data generated from their operations and prohibits companies from selling agricultural data without obtaining written consent separate from standard terms-of-service agreements.⁸

The legislation reflects growing concerns that equipment manufacturers and technology providers may be able to leverage access to farm-level operational data to gain competitive advantages or extract additional value from producers. As agricultural equipment becomes increasingly connected and data-intensive, questions surrounding data ownership, portability, and control are likely to become more important components of agricultural competition policy.

Competition and Antitrust Enforcement

Competition authorities are increasingly examining the conduct of major agricultural equipment manufacturers, both within the United States and internationally.

One notable development occurred in Poland, where the Polish Antitrust Authority announced a decision imposing a €57 million fine on CNH Polska following an investigation into alleged anticompetitive commercial practices involving equipment sales and dealer relationships. Although the case remains subject to judicial review and appeals, it demonstrates growing international willingness to scrutinize the competitive practices of dominant agricultural equipment manufacturers.⁹

This development demonstrates a broader recognition among regulators that market power in agricultural equipment extends beyond machinery manufacturing alone and may influence dealership networks, repair markets, software systems, and other essential services farmers rely on.

Trade and Tariff Policy

Trade policy uncertainty has emerged as an increasingly important issue for agricultural equipment manufacturers and farmers. Over the past year, major equipment companies have continued to cite tariffs on steel, aluminum, electronics, and imported machinery components as factors that increase production costs and disrupt supply chains.

⁸ Burnette-Irwin, N., & Heider, A. (2026, April 14). *Nebraska lawmakers advance ag data privacy bill*. RFD-TV. <https://www.rfdtv.com/nebraska-lawmakers-advance-ag-data-privacy-bill>

⁹ Office of Competition and Consumer Protection. (2025, December 18). *Another case of collusion in the sale of agricultural machinery: The President of UOKiK imposes heavy fines*. <https://uokik.gov.pl/en/another-case-of-collusion-in-the-sale-of-agricultural-machinery-the-president-of-uokik-imposes-heavy-fines>

In June 2026, President Trump reduced tariffs on imported farm equipment from 25% to 15% through the end of 2027, with a lower rate available for manufacturers sourcing at least 85% of their steel domestically.¹⁰ The move was intended to provide relief to an industry facing declining equipment sales and broader economic uncertainty.

While lower tariffs may provide some short-term cost relief, the highly concentrated nature of agricultural equipment markets raises questions about the extent to which any savings will ultimately be passed through to farmers. More broadly, continued trade policy uncertainty may further reshape global manufacturing and dealership networks in ways that affect competition, equipment availability, and pricing over the long term.

Structural Developments

Technology acquisitions and digital platform expansion have become the defining structural developments in the agricultural equipment sector.

Major firms are accelerating technology-focused consolidation, acquiring companies in precision agriculture, artificial intelligence (AI), automation, and data analytics. These acquisitions are expanding dominant firms' control across the digital stack of modern farming, from field data to machine operation. Across the industry, there is an aggressive acquisition strategy focused on software, automation, and data infrastructure.

Mergers, Acquisitions, and Divestitures

Recent acquisitions include:

Company	Acquisition/Divestiture	Market	Price
Deere & Co	GUSS Automation ¹¹	Autonomous equipment	N/A
	Sentera ¹²	Sensor/data platforms; remote imagery solutions	N/A

¹⁰ Castillo, A. (2026, June 10). *Tariff cuts offer limited relief for farm equipment industry*. *Farm Progress*. <https://www.farmprogress.com/farming-equipment/tariff-cuts-offer-limited-relief-for-farm-equipment-industry>

¹¹ Capstone Partners. (2026, February). *Agriculture technology (AgTech) M&A coverage report* [Report]. https://www.capstonepartners.com/wp-content/uploads/2026/02/Capstone-Partners_AgTech_MA-Coverage-Report_Feb-2026.pdf

¹² Sentera. (2025, May 23). *John Deere acquires Sentera to integrate aerial field scouting*. <https://sentera.com/2025/05/23/john-deere-acquires-sentera-to-integrate-aerial-field-scouting/>

Deere & Co	Tenna ¹³	Fleet management and asset tracking software	N/A
	Spark AI Inc ¹⁴	Smart technology innovation	\$82 million, with Smart Apply
	Smart Apply, Inc. ¹⁵	Smart technology innovation	\$82 million, with Spark AI
CNH	Raven Industries, Inc. ¹⁶	Automation and precision ag	N/A
	Hemisphere GNSS ¹⁷	Global satellite navigation technology	\$175 million
	Augmenta Holding SAS ¹⁸	Sensor technology	\$110 million
	Bennamann (minority stake) ¹⁹	Methane capture/biofuel	N/A

¹³ Deere & Company. (2025, December 22). *John Deere enters into agreement to acquire Tenna*.

<https://www.deere.com/en/news/all-news/john-deere-acquires-tenna/>

¹⁴ Deere & Company. (2025). *2025 annual report*.

https://s22.q4cdn.com/253594569/files/doc_financials/2025/ar/2025-Deere-Company-Annual-Report.pdf

¹⁵ Deere & Company. (2025). *2025 annual report*.

https://s22.q4cdn.com/253594569/files/doc_financials/2025/ar/2025-Deere-Company-Annual-Report.pdf

¹⁶ CNH Industrial N.V. (2026, February 26). *Annual report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 (Form 10-K) for the fiscal year ended December 31, 2025*. U.S. Securities and Exchange Commission.

<https://www.sec.gov/ix?doc=/Archives/edgar/data/0001567094/000156709426000006/cnhi-20251231.htm>

¹⁷ CNH Industrial. (2023, October 12). *CNH completes purchase of Hemisphere GNSS, consolidates guidance and connectivity tech capabilities*.

<https://media.cnh.com/North-America/cnh/cnh-completes-purchase-of-hemisphere-gnss--consolidates-guidance-and-connectivity-tech-capabilities/s/2f5893e0-2b5f-4824-b7af-d900ed9be6ab>

¹⁸ CNH Industrial. (2023, March 13). *CNH Industrial acquires machine vision company Augmenta*.

<https://media.cnh.com/north-america/cnh/cnh-industrial-acquires-machine-vision-company-augmenta/s/f2597f77-1265-4138-badb-1cb898672e52>

¹⁹ CNH Industrial. (2021, March 26). *CNH Industrial acquires a minority stake in Bennamann*.

<https://media.cnh.com/north-america/us/cnh-industrial-acquires-a-minority-stake-in-bennamann/s/504a525d-36a3-45ed-bf51-36b52f239a0b>

AGCO	PTx Trimble joint venture between AGCO (85% ownership) and Trimble (15% ownership) ²⁰	Precision agriculture platform integration	Shares in JCA Industries, LLC and \$46 million contributed to joint venture, purchase of membership interests in joint venture from Trimble \$1,954 million ²¹
	Divestiture of Grain & Protein business ²²		Sold for \$700 million

These acquisitions expand major equipment manufacturers' ability to collect, analyze, and operationalize farm-level data while increasing integration between equipment, software, and decision-support systems. This strengthens manufacturers' positions in automation, machine vision, navigation systems, and data-enabled farming technologies.

Taken together, Deere, CNH, and AGCO's acquisitions demonstrate that consolidation is increasingly occurring through control of technology platforms.

Dealership Consolidation

Further, dealership consolidation also continues to intensify, leaving fewer owners controlling more locations. The number of large dealerships has declined for the third straight year (from 214 in 2022 to 205 in 2025)²³—clear evidence of increasing concentration.

²⁰ Trimble Inc. (2024, April 1). *AGCO and Trimble close joint venture, form PTx Trimble*.

<https://investor.trimble.com/news/news-details/2024/AGCO-and-Trimble-Close-Joint-Venture-Form-PTx-Trimble/default.aspx>

²¹ AGCO Corporation. (2025, February 24). *Annual report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 (Form 10-K) for the fiscal year ended December 31, 2024*. U.S. Securities and Exchange Commission.

<https://www.sec.gov/ix?doc=/Archives/edgar/data/0000880266/000088026625000011/agco-20241231.htm>

²² AGCO Corporation. (2025, February 24). *Annual report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 (Form 10-K) for the fiscal year ended December 31, 2024*. U.S. Securities and Exchange Commission.

<https://www.sec.gov/ix?doc=/Archives/edgar/data/0000880266/000088026625000011/agco-20241231.htm>

²³ Schmidt, K. (2025, June 14). *Kubota big dealers increase, total big dealers drops*. *Farm Equipment*.

<https://www.farm-equipment.com/articles/24143-kubota-big-dealers-increase-total-big-dealers-drops>

Dominant manufacturers like John Deere, CNH, and AGCO have played a central role by pushing dealer consolidation and enforcing exclusive relationships. Although dealerships are independent in name, dominant manufacturers exert significant amounts of control over them and profit from their business. Since the early 2000s, dominant manufacturers have also pressured dealerships to both consolidate and exclusively sell products from a single manufacturer.²⁴

The result is a marketplace where farmers have fewer local options for purchasing, servicing, and repairing equipment, often within tightly controlled regional dealer networks. This means that farmers have less choice over which dealership they go to, have to travel farther to reach that dealership, and have to wait longer for repairs—costing time and money that cuts into producers' already thin margins.

Major Trends in the Agricultural Equipment Sector

Digital and Data Consolidation

Equipment manufacturers are increasingly expanding their control beyond machinery into precision agriculture platforms, connected equipment, automation, and farm data systems. This shift is making control over agricultural data and digital infrastructure an increasingly important dimension of competition in the sector.

Expansion of Recurring Revenue Models

Manufacturers increasingly describe parts, repairs, software, maintenance contracts, and connected services as core growth areas. This reflects a broader shift toward treating equipment as a long-term revenue platform rather than a one-time sale, increasing farmers' dependence on manufacturer-controlled ecosystems.

Dealer Consolidation

Continued dealership consolidation is reducing farmers' local purchasing and repair options while strengthening manufacturers' influence over equipment sales, service, and customer relationships.

²⁴ Farm Action. (2024, September). *Kings over the necessities of life: Monopolization and the elimination of competition in America's agriculture system* [Report]. https://farmaction.us/wp-content/uploads/2024/09/Kings-Over-the-Necessaries-of-Life-Monopolization-and-the-Elimination-of-Competition-in-Americas-Agriculture-System_Farm-Action.pdf

Cyclical Downturn but Continued Strategic Investment

Despite declining equipment sales and a cyclical industry downturn, major manufacturers continue investing heavily in automation, precision agriculture, AI, and digital services. This suggests that technology and platform control are becoming increasingly important sources of future competitive advantage.

Tariff and Trade Pressures

Trade policy uncertainty and shifting tariff regimes have emerged as a significant challenge for agricultural equipment manufacturers and farmers alike. Over the past year, major equipment companies have cited concerns about tariffs on steel, aluminum, electronics, and imported machinery components, which have increased production costs and complicated global supply chains.²⁵

While dominant firms may be better positioned to absorb or pass through higher costs, farmers can face higher equipment prices and reduced purchasing power. Even when tariffs are reduced, the sector's high concentration raises questions about how much of those savings will ultimately be passed through to farmers.

Conclusion

Recent developments in the agricultural equipment sector demonstrate that consolidation is evolving beyond machinery manufacturing into control over software, data, repairs, and digital infrastructure. The dominant firms in agricultural equipment are increasingly building vertically integrated ecosystems that connect machinery, farm management platforms, predictive analytics, repair services, and data collection into unified proprietary systems.

These developments reflect that market power in agriculture can no longer be understood solely through ownership of physical inputs. Control over agricultural data, software platforms, and information infrastructure is becoming an equally important source of competitive advantage. It remains important to pay attention to how dominant equipment manufacturers use technology, data ownership, and platform control to reinforce and extend their market power throughout the agricultural economy.

²⁵ Deere & Company. (2025). *2025 annual report*.

https://s22.q4cdn.com/253594569/files/doc_financials/2025/ar/2025-Deere-Company-Annual-Report.pdf