

Ag Equipment Intelligence

Fiat Powertrain Finding Surprising Customers for New Engines

The attraction of efficient emissions control technology and a global industrial complex is helping Fiat Powertrain (FPT) Industrial, the diesel engines division of the CNH Industrial group, win more customers and orders.

Latest to join the FPT fan club is Deere, which is buying the Italian manufacturer's 3.4-liter F5C 4-cylinder "electronic" engine. These replace Deere's own 4.5-liter mechanical injection motors for the 2014 model year John Deere 5G (80 and 90 horsepower) standard tractors and the 90 horsepower 5GH high clearance model.

This engine already powers European Case IH Farmall and New Holland Series T5 tractors, and a Perkins version (the 850 Series) that FPT builds in its Modena plant through a JV agreement powers the 85-113 horsepower Landini 5-H/McCormick X50 twins from Argo Tractors. But Argo's newcomers for 2014 and beyond swing more decisively in FPT's favor in power segments previously covered by Perkins.

For example, the 100-130 horsepower McCormick X6 tractors unveiled at Agritechnica in Germany in November feature 4.5-liter NEF engines in place of Perkins 4.4-liter diesels. A 230-300 horsepower flagship proposed for 2015-16 will use the 6.7-liter 6-cylinder NEF. This engine is already in service with Argo at lower power ratings and is featured in the just launched McCormick X7 that will soon be part of McCormick USA's product lineup. The X7 Series includes 4-cylinder versions that climb to 175 horsepower — the industry's highest four-pot (cylinder) engine output.

It's a similar story at Claas, which declared its choice of FPT power for the two biggest "standard" tractor ranges it will supply in Europe and Australasia in 2014. The new Axion 900 CMatic spans 320-410 horsepower to take on the established big guns in row-crop tractors, while the upgraded Axion 800 changes from Deere PowerTech Plus to FPT NEF engines for Tier 4 Final compliance, with 215-264 horsepower outputs.

All of which adds welcome volume and market presence to FPT's internal clients — the Case IH and New Holland ag and construction operations, which last year accounted for 27% of the 476,786 engines sold; and the Iveco trucks and buses division (31%).

External clients producing farm, construction and commercial vehicles bought the rest, bringing 2012 revenues from engines, transmissions and axles to the equivalent of \$3.9 billion, with improved margins from efficiency gains raising net income to \$189 million.

FPT Industrial has been very successful in tackling the emissions challenge, with its Tier 4 Final solution HI-eSCR still using only selective catalytic reduction without EGR (exhaust gas recirculation) or particulate filtration. Other manufacturers are employing these technologies in combination to meet the tough standards.

FPT trumpets that this will give its CNH compatriots — and a growing list of external customers — a competitive advantage as Tier 4 Final emissions take hold.

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