ADELAIDE: Leading farm machinery maker Horwood Bagshaw has tipped further market improvements this year after a 144 per cent jump in sales last year. Horwood Bagshaw became a victim of the rural crisis in December 1987 when it was placed in receivership with debts of more than $21 million.

The company's joint receiver and manager, Mr John Young, said sales rose from $3.9 million to $9.5 million, propelled by a rising share of the Australian header market.

The company's 65 per cent lift easily outstripped the industry's average increase of 32 per cent.

The figures were released at a conference of South Australian and Eastern States machinery dealers in Mannum, in South Australia's Riverland.

The company released an aggressive 1989 marketing campaign to ensure it obtained an even larger slice of the national farm machinery market.

The marketing campaign included bonuses for cash buyers, additional incentives for dealers and a restructured sales and marketing division to operate under a new company, Horwood Bagshaw Sales.

The new company had been formed as the catalyst for all marketing, advertising and promotional initiatives undertaken by the group, Mr Young said.

He said it would operate separately from the company under receivership and would add to the strength of the company's dealer network.

Although an even stronger market for agricultural machinery was predicted for this year, Mr Young warned dealers the "honeymoon" for cheap headers was likely to end after 1989.

"Several factors, including increased production costs, are sure to push prices higher into the 1990s," he said.