



Linder Link

A publication for and about Linder Industrial Machinery customers • 2006 No. 2

Featured in this issue:

HOOPAUGH GRADING COMPANY, LLC

Partnership leads to massive growth
for Charlotte-based site-prep company

See article inside...



Owner Larry Hoopaugh
(left) and Engineer/Project
Manager Brian McManus



Featured in this issue:

KUEI TYAN

Processing rebar is the specialty of this
Tampa scrap-recycling operation

See article inside...



KOMATSU

(L-R) Founder and
Owner Hung Lin Wu and
Managers Paul Monroe
and Randal Barrett



A MESSAGE FROM THE PRESIDENT



Jeff Cox



Dear Equipment User:

As we begin the new year, we want to take the time to tell you how much we appreciate your business. I'm sure you hear that all the time from all kinds of different businesses that you frequent — to the point where it just sounds routine. But believe me, it's anything but routine to each and every one of us at Linder Industrial Machinery Company.

Why? Because the relationship between an equipment user and an equipment distributor is different than the one you have with your grocer or car dealer. It's a business-to-business relationship, and we're in it together for our livelihoods. Because our mutual success is so interdependent, we view the relationship as more of a partnership than as a supplier to a customer — and we hope you do too.

When it comes to equipment, parts and service, we know you have a choice. Because it is so important, it makes us proud when you choose Linder.

Our goal is to provide reliable products and responsive service — not just some of the time or most of the time, but *all* the time. That's how we try to earn your business and your trust. We thank you for your support. We hope we've earned it.

If there's anything we can do for you, please don't hesitate to give us a call or stop in. We're here to help in any way we can.

Sincerely,
Linder Industrial Machinery Company

A handwritten signature in black ink that reads "Jeff Cox". The signature is fluid and cursive, with the first and last names being more prominent.

Jeff Cox
President & CEO



**RELIABLE
EQUIPMENT**

**RESPONSIVE
SERVICE**



IN THIS ISSUE

HOOPAUGH GRADING COMPANY, LLC

Find out how a partnership led to massive growth for this Charlotte-based site-prep company.

KUEI TYAN

Processing rebar and cable is the specialty of this Tampa scrap-recycling operation.

GUEST OPINION

A good safety program should not only prevent accidents, it should also address how to handle accidents when they do occur. Here are some tips on how to prepare for emergencies.

EQUIPMENT SECURITY

Heavy equipment owners' most frequently reported loss is theft. Learn the best ways to protect your equipment investment from thieves.

PERFORMANCE NOTES

Find out why the results of recent field tests show the Komatsu PC300 excavator holds significant performance advantages over other machines in the same size class.

NEW PRODUCTS

Take a look at Komatsu's new Dash-6 series of mid-size wheel loaders and the production and fuel-efficiency advantages they offer.

MORE NEW PRODUCTS

If you're looking for a powerful, fast and easy-to-use loader that combines unmatched compactness and maneuverability, you'll want to take a close look at Komatsu's new compact track loaders.

KOMATSU & YOU

Komatsu's Executive Vice President of North American R&D explains the role innovation plays in product development.

EQUIPMENT INNOVATION

You might be surprised to learn about all the benefits of Komatsu's KOMTRAX equipment monitoring system. Read how one contractor makes the most of the system on his fleet.

Published by Construction Publications, Inc. for



**RELIABLE EQUIPMENT
RESPONSIVE SERVICE**

www.linderco.com

Printed in U.S.A. © 2006 Construction Publications, Inc.

THE PRODUCTS PLUS THE PEOPLE TO SERVE YOU!

LINDER INDUSTRIAL MACHINERY COMPANY

FLORIDA

PLANT CITY, FL

1601 S. Frontage Road • P.O. Box 4589 (33564) • Plant City, FL 33566
(813) 754-2727 • (813) 754-0772 FAX

PEMBROKE PINES, FL

20900 Taft Street • Pembroke Pines, FL 33029
(954) 433-2800 • (954) 433-2901 FAX

JACKSONVILLE, FL

110 Halsema Road • P.O. Box 37023 (32236) • Jacksonville, FL 32220
(904) 786-6710 • (904) 781-5732 FAX

OCALA, FL

2441 SW 57th Ave. Suite 101 • P.O. Box 3870 (32678-3870) • Ocala, FL 34474
(352) 629-7585 • (352) 629-2810 FAX

ORLANDO, FL

1400 S. Orange Blossom Trail • Orlando, FL 32805
(407) 849-6560 • (407) 422-2342 FAX

FORT MYERS, FL

2201 Rockfill Road • Fort Myers, FL 33916
(239) 337-1313 • (239) 337-0134 FAX

WEST PALM BEACH, FL

6811 Garden Road Suite #3 • West Palm Beach, FL 33404
(561) 863-0570 • (561) 863-0575 FAX

TALLAHASSEE, FL

4817 Corlett Place • Tallahassee, FL 32303
(850) 514-1919 • (800) 408-6361 • (850) 514-1881 FAX

NORTH CAROLINA

GREENVILLE, NC

100 Staton Rd. • Greenville, NC 27834
(252) 695-6200

ASHEVILLE, NC

177 Sweeten Creek Rd. • Asheville, NC 28803
(828) 274-3031

CHARLOTTE, NC

3535 N. Graham St. • Charlotte, NC 28206
(704) 376-7554

RALEIGH, NC

6515 Chapel Hill Rd. Hwy. 54 • Raleigh, NC 27607
(919) 851-2030

HIGH POINT, NC

600 Pegg Rd., Suite 101 • High Point, NC 27409
(336) 665-0110

WILMINGTON, NC

3252 U.S. Hwy. 421 North • Wilmington, NC 28401
(910) 254-2031

SOUTH CAROLINA

RIDGELAND, SC

516K Browns Cove Rd. • Riverwalk Business Park
Ridgeland, SC 29936 • (843) 987-0070

GREER, SC

525 Old Jones Rd. • Greer, SC 29651
(864) 877-8962

CONWAY, SC

108 Daytona St. • Conway, SC 29526
(843) 349-1100

COLUMBIA, SC

3109 Old Charleston Hwy. • West Columbia, SC 29172
(803) 794-6150

N. CHARLESTON, SC

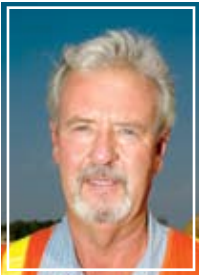
7321 Pepperdam Ave. • N. Charleston, SC 29418
(843) 552-0095

KOMATSU

A SALUTE TO A CUSTOMER

HOOPAUGH GRADING COMPANY, LLC

Partnership leads to massive growth for Charlotte-based site-prep company



Larry Hoopaugh,
Owner



Brian McManus,
Engineer/Project
Manager

Hoopaugh Grading Company, LLC is bucking the trend. Most companies that are more than 50 years old are comfortable with how big they are and aren't looking for an explosion in growth. Hoopaugh Grading took a different approach.

"We've more than quadrupled in size in the last three years, going from about 20 employees to more than 80," said Owner Larry Hoopaugh, whose father Daniel started Hoopaugh Grading in 1953. "We started the growth spurt just after I took on Brian McManus as a partner in 2002, and we've been growing ever since. I credit much of the growth to Brian bringing some new energy and technology, and to us sitting down together and establishing a new plan for the business."

McManus, who holds an engineering degree, serves as the company's project manager and handles bidding. Hoopaugh

works the field, acting as a general manager for what McManus describes as a turnkey site-development company that handles everything involved with site preparation.

"We take projects from the engineer's design plans to the point where a developer can put up the structure," McManus explained. "We're responsible for the clearing and grubbing, erosion control, cut-and-fill operations, utility installation and the paving. Our specialty is earthmoving, performing cut-and-fill operations. We generally sub the rest out, but we're responsible for getting it done. Developers who hire us like it that way because they only have to deal with one contractor."

"At the same time, however, we're not locked into doing just full-site packages," he noted. "We also take on projects where we just move dirt. That versatility is critical for us; it's helped us build up our list of jobs, and has been a key to our growth. On average, we have anywhere from eight to 10 jobs going on at once, where before we had one or two."

Shift in focus

Hoopaugh and McManus estimate 70 percent of their work is providing site packages for developers building private subdivisions. The remaining 30 percent includes commercial site projects such as warehouses, office complexes and shopping centers. It's a virtual 180-degree shift from what the company did before McManus joined forces with Hoopaugh.

"The focus of Hoopaugh Grading for a long time was on commercial projects, basically doing prep work for a utility contractor who built water and sewer treatment plants,"

Hoopaugh Grading uses Komatsu excavators, including this PC270LC-6 that's moving rock on a subdivision project near Charlotte.



Hoopaugh recalled. "After I joined my dad in the company full time, we basically just focused on the commercial end of the market. When Brian joined the company, we took a hard look at the markets and decided a focus on subdivision work was the best place for us. It's really paid off. We've increased our sales in the past three years by about 800 percent."

A solid reputation

While Hoopaugh Grading's sales were increasing, the company was further cementing an already rock-solid reputation in Charlotte and the surrounding area it serves. The company is well-known for its ability to deliver a project on time and on budget. Hoopaugh estimates 75 percent of the company's work is for repeat customers, much of it negotiated.

"We have companies that give us a set of plans and set us to work before we've established a price," Hoopaugh pointed out. "They trust us because they know we'll give them a fair price and provide a quality job in the end. My father and I worked hard over the years to establish a reputation for fair, honest work, and I think it's served us well."

That reputation drew McManus to Hoopaugh Grading. He worked for another company and met Hoopaugh while working on a common job in Charlotte. Hoopaugh was looking for someone to train to eventually take over the business and McManus was looking for a new opportunity.

"We felt it was a perfect situation," McManus commented. "Larry was wearing so many hats that he needed someone to help out in the office, handle bidding and meet with clientele while he worked the field. So we complement each other's skills very well. I asked around about Hoopaugh Grading before I started here, and everyone I talked to had good things to say about Larry and how professional the company is. That made it an easy decision."

Hoopaugh and McManus credit a solid corps of employees for maintaining the reputation Hoopaugh Grading has built, including General Superintendent Paul Heape, Superintendent



Hoopaugh operators use the company's two Komatsu PC300HD-7 excavators in tandem to move dirt at the Marvin Creek subdivision project in Marvin, N.C. Hoopaugh Grading moved more than a million yards of dirt on the project and handled the entire site-preparation package, including clearing, utility installation and curb and gutter work.



A Hoopaugh operator uses a PC300HD-7 excavator to load trucks at the Marvin Creek project in Marvin. "They are a good match for our 30-ton trucks," Larry Hoopaugh said of the 81,820-pound machines.

Stephen Parker, Engineer Brian Ribelin and Office Manager Roberta Seaberry.

"They are the height of efficiency," said Hoopaugh of the staff. "We have some people who have been around a long time, and, obviously, we have many people who have only been with us the last few years. Either way, we have an excellent group of people who work hard to make sure our customers come first and our projects are done with the utmost quality. They are a big part of our success."

Long-lasting equipment

With growth came a need for more equipment, including Komatsu excavators purchased from Linder Industrial Machinery

Continued . . .

Hoopaugh Grading plans to fine-tune for the future

... continued

Company's Charlotte branch through Sales Representative Bill Cross. Hoopaugh Grading purchased four 81,820-pound PC300HD-7 excavators to go along with a PC270LC-6 and a PC400LC-7 excavator. The company uses the machines mainly for mass excavation.

"Our work is such that we keep everything we own and run it for as long as we can, so reliability and performance factor into our equipment-buying decisions," Hoopaugh asserted. "We've been sold on Komatsu for a long time. We had a PC280 excavator for more than 14 years and put 11,000 hours on it without ever touching the engine or the undercarriage. That's the kind of production we're looking for, and we really liked that machine because it was built with a bigger undercarriage, so it was more stable. I believe that was a reason for its longevity.

"We bought the PC300HDs with the same idea in mind, because those have a bigger undercarriage too," Hoopaugh continued. "They are a good match for our 30-ton trucks. We use a three-yard bucket and find the performance is exceptional. The bigger undercarriage on those machines really helps with stability. You can get a bucket of mud, turn the machine all the way to the side, stretch out the bucket and dump without it rearing up. They have great breakout force and lifting capacity; that's one of the biggest reasons we decided to go with that size machine."

Another factor in their decision was the responsive service Hoopaugh Grading receives from Bill Cross and the team at Linder. Hoopaugh Grading handles routine service on its machinery, but turns to Linder for heavier maintenance needs and parts. The company occasionally rents equipment from Linder as well.

"Bill and Linder have done a terrific job for us," Hoopaugh reported. "We rely on them for a variety of things, and they've always been very prompt in responding. Bill has done an exceptional job of meeting our equipment needs. With the newer equipment, we haven't had problems, but if we need something, they are very prompt about taking care of us. They understand customer service is important."

Fine-tuning the future

The same can be said for Hoopaugh Grading. In fact, Hoopaugh and McManus emphasize the importance of customer service.

"Customer satisfaction is the key to any business' success, and Brian and I talk about it constantly, always looking for ways we can improve," Hoopaugh asserted. "Often, when companies grow as fast as we did, they lose the personal touch and customer satisfaction suffers. We are determined to not let that happen."

With the company's reputation as solid as ever, Hoopaugh and McManus are looking ahead to what they see as a bright future. Both are committed to growth, but under the more usual route of consistently building a step at a time.

"We believe we've done a good job of growing quickly without mismanaging anything, and it's time to step back and assess what we have," McManus said. "Our size is just about right. What we really want to focus on is finessing and fine-tuning what we have. We're adding GPS as part of the process, because we feel it's a valuable tool and will make us even more efficient.

"We're certainly looking to grow," he added, "but we want to slow it down and continue to ensure we can provide the quality that Hoopaugh Grading was built on. Occupying a new 5,000-square-foot office and 10,000-square-foot shop in early 2007 should help achieve our goals." ■

(L-R) Hoopaugh Grading Engineer and Project Manager Brian McManus and Owner Larry Hoopaugh meet with Linder Sales Representative Bill Cross.



Compactors Without Comparison



LINDER INDUSTRIAL
MACHINERY
COMPANY

BUILDING ON A TRADITION OF EXCELLENCE

PLANT CITY, FL • (813) 754-2727
PEMBROKE PINES, FL • (954) 433-2800
JACKSONVILLE, FL • (904) 786-6710
OCALA, FL • (352) 629-7585
ORLANDO, FL • (407) 849-6560
FORT MYERS, FL • (239) 337-1313
WEST PALM BEACH, FL • (561) 863-0570
TALLAHASSEE, FL • (850) 514-1919
GREENVILLE, NC • (252) 695-6200
ASHEVILLE, NC • (828) 274-3031
CHARLOTTE, NC • (704) 376-7554
RALEIGH, NC • (919) 851-2030
HIGH POINT, NC • (336) 665-0110
WILMINGTON, NC • (910) 254-2031
RIDGELAND, SC • (843) 987-0070
GREER, SC • (864) 877-8962
CONWAY, SC • (843) 349-1100
COLUMBIA, SC • (803) 794-6150
N. CHARLESTON, SC • (843) 552-0095

Our new line of Ingersoll-Rand asphalt compactors offers you a competitive advantage through advanced SMART technology, drum edge visibility, automatic reversing eccentrics, chamfered drum edges, and much more. These compactors are designed to meet the needs of paving contractors in a competitive industry, and provide innovation with a purpose: ever-higher performance.

For more information about the full line of Ingersoll-Rand asphalt compactors, contact Linder Industrial Machinery Company at the branch location nearest you.

IR Ingersoll-Rand

www.irco.com

A SALUTE TO A CUSTOMER

KUEI TYAN

Processing rebar and cable is the specialty of this Tampa scrap-recycling operation



Hung Lin Wu,
Founder and Owner



Paul Monroe,
Manager



Randal Barrett,
Manager

For most demolition contractors, rebar and cable are nuisances. Number one, they're difficult to handle; and number two, because most scrap recyclers won't accept them, the contractor typically has to pay to dispose of them in a landfill.

But in Florida, all that is changing. A couple of years ago, a scrap-recycling facility opened in Tampa that specializes in handling and processing rebar and cable. Kuei Tyan not only accepts the material — it pays for it and transports it as well.

"It's the classic win-win situation for demolition contractors and for us," said Paul Monroe, Manager for Kuei Tyan. "Basically, we take an unwanted material off their jobsite and pay them for it. We then process it and sell it to steel mills. Another benefit is the environmental aspect — our involvement keeps landfills from filling up so fast."

As word has spread about Kuei Tyan's rebar and cable capability, the business has taken off.

"We started at our current location in the Port of Tampa area in 2004, and the amount of material we process has more

than quadrupled in that time," commented Randal Barrett, who handles outside buying of material for Kuei Tyan. "We now supply the steel mills, both foreign and domestic, with processed material."

"We're a full-service scrap recycler and accept all types of scrap from commercial customers, but rebar and cable are what we're best known for," Monroe remarked. "Whereas most scrap yards won't even accept them, rebar and cable represent a very large percentage of our business."

Respect and trust

Kuei Tyan is the name of a well-known and highly respected family manufacturing business in Taiwan. The founder and owner of the Tampa operation, Hung Lin Wu, is a member of that family who came to the U.S. so his children could be educated here.

"Mr. Wu is a very industrious and hardworking man," said Monroe. "He comes to work here every day, and rather than spend time in the office, he's always out in the yard, in the dirt and the dust. Basically, he runs yard operations and sees to it that everything runs the way he wants it to run."

One way he wants — and demands — that the company be run is with total honesty, fairness and integrity.

"It's very important to Mr. Wu that customers respect us and know they can trust us," acknowledged Monroe. "Like other scrap processors, if a thousand pounds of concrete are in a load that we accept, we're going to deduct that from the price we pay. But if we get 20 tons of good material across our scale, you can be assured we're going to pay for

Kuei Tyan, a scrap-recycling operation that specializes in processing rebar and cable, is located in the Port of Tampa area in southeast Tampa.



every single pound of it. For Mr. Wu, and for all of us at Kuei Tyan, earning and maintaining a reputation as a fair, honest and reliable dealer comes above all else."

Modified rebar shears

Equipment is crucial to Kuei Tyan's ability to process rebar and cable. The company uses six Komatsu PC400LC-7s equipped with specially modified rebar shears.

"The modified rebar shears are the real secret to the success we've had with rebar and cable," said Barrett. "They were specifically designed and developed by Mr. Wu and some of our employees. It took some trial and error and a substantial amount of money, but eventually they got it just right. We give the design and specs to a machine shop, which then builds them for us. Because of the changes we've made to the basic attachment, we're able to process rebar and cable more efficiently than anybody else."

"The modified shear has allowed us to develop a niche with rebar and cable that's unique to the scrap industry," added Monroe. "Nobody's really done this before, so we're still getting our name out there and letting demolition contractors know we want their rebar and cable. The good news is, there is a market for our finished product. The steel mill loves our processed material."

The right equipment and the right distributor

Kuei Tyan purchased all its PC400s new from Linder Industrial Machinery's Plant City branch and Sales Representative Vaughn Ali. Prior to delivery, Linder technicians reinforced the sticks per Komatsu specifications to handle the scrap attachments, and installed generators on four of the units to power magnets.

"We did a lot of research before choosing Komatsu machines," recalled Monroe. "We looked closely at weight, horsepower and hydraulic pressure to power our shears. We decided the Komatsu PC400 was the best match for our application. Komatsu Financial offered outstanding rates and terms. We were also impressed with the warranty and were confident Linder would be a good partner.



Kuei Tyan has six Komatsu PC400LC-7 hydraulic excavators equipped with specially modified shears, which allow them to efficiently process rebar and cable.



Four of Kuei Tyan's Komatsu PC400s are equipped with generators that power magnets to handle, move and load rebar and cable scrap.

We've been very pleased with the way it's worked out. The equipment has performed beautifully and the service we get from Vaughn and everybody else at Linder has been outstanding."

Kuei Tyan has a maintenance contract with Linder to keep the PC400s up and running.

"They come out and do all our routine PM services," Monroe explained. "That way, we know it's going to be done, it's going to be done on time and done right. We believe preventive maintenance pays off in reduced downtime and will lead to a longer life for the machines. Linder's Plant City Service Manager Dana Titus takes excellent care of us. Beyond the PM work, if we need them for anything, all we have to do is call and they respond quickly. They're almost always able to get somebody out here the same day we call."

Continued . . .

Kuei Tyan continues to grow

... continued

Linder Sales Rep Vaughn Ali visits with Hung Lin Wu. Mr. Wu started Kuei Tyan a little more than two years ago and has seen the business grow dramatically.



(L-R) Linder Sales Representative Vaughn Ali worked with Managers Paul Monroe and Randal Barrett to supply Kuei Tyan's fleet of six Komatsu PC400s.



Manager Paul Monroe says Kuei Tyan has been very pleased with its Komatsu machines and with the service Linder Industrial Machinery provides. "The Komatsus have the weight, horsepower and hydraulic pressure we need and are the best match for our application. We've been very pleased with the equipment and with the way Linder has supported us."



A new service

As they move forward in their business plan, Kuei Tyan intends to offer a rebar and cable service for demolition contractors.

"Rather than just showing up on a demolition job with our truck and have the contractor load us, our plan is to go to the jobsite with our own equipment and work with the contractor," said Barrett. "Our goal is to cut and handle the rebar and cable ourselves on site, and load them ourselves in our own trucks for transport back to the yard in Tampa for processing. We think it's a service they will appreciate, and from our point of view, it will be beneficial because we can do some preprocessing out in the field."

In addition to its PC400s, the company also recently bought a Komatsu SK1020 skid steer loader to help with cleanup at those demolition sites, as well as in the scrap yard.

Kuei Tyan delivers its prepared product to steel mills and its trucks make stops on the way back to Tampa to pick up raw material. As a result, the company considers its territory to be the entire state of Florida.

Rapid growth

Kuei Tyan has grown substantially since opening its doors a little more than two years ago.

"When we started, there were basically just three or four of us, including Mr. Wu, Randall, myself and Jennifer Hsiao, who handles bookkeeping and accounting," said Monroe. "Today we have about 20 people and we're definitely still growing. We think we can double or even triple the amount of business we're doing in the not-too-distant future. Eventually, the problem is probably going to be the limited amount of space we have to grow at this location."

"Most of the industry is just learning that we are the 'King of Rebar and Cable', if you will," said Barrett. "The longer we're in business, the more people are finding out about us. And because we're doing something new that benefits everybody, we're extremely optimistic about what the future holds." ■

EMERGENCY PREPAREDNESS

Having a crisis plan is an essential aspect of a quality safety program

No matter how hard a company tries to address every potential jobsite hazard, the possibility always exists that an accident will occur and evolve into a full-fledged emergency situation. If that happens at your company, you will be much better off if you've taken steps to develop a comprehensive emergency management plan.

Planning for an emergency involves first selecting a person to take charge, and second, creating a manual that provides step-by-step directions for handling crisis events.

The emergency manager should be a clear, quick thinker who is well-respected by the work force. Companies that have crews spread out over a large area may have to designate more than one person to take charge in case of an emergency. Of course, if fire and/or rescue services are called in, the senior officer on the scene will be the incident commander. However, your company will still need to have a person who represents your company's interests and knows what to do. If this person is properly trained, he or she will be able to take appropriate measures to lessen potential long-term damage associated with an emergency situation.

Know what to do

The first step in creating an emergency manual is to have a group of knowledgeable individuals within your company identify and prioritize risks. Once this process is complete, determine and write down what resources are available and how each situation will be handled.

At minimum, every crew should have a list of emergency telephone numbers. It's important to point out however, that you cannot always depend on the local fire department or rescue team to be able to handle all emergencies. In the case of an injured worker, the family should be notified immediately and the company should

arrange to have family transported to the hospital, if necessary.

Knowing what agencies to notify is also an important aspect of emergency management. For example, in the event of a worker fatality, OSHA must be notified within eight hours. The EPA, DOT and other agencies may also require notification, as might your insurance carrier.

Your company should also have procedures in place to address hurricanes, fires, floods, tornados and man-made disasters.

If you haven't thought about these things, now is a good time to do so. A comprehensive emergency plan can save lives and help avert disaster. ■

This Guest Opinion is a summary of an article that appeared in the August 2006 issue of Utility Contractor magazine — "Are You Prepared for an Emergency," by George Kennedy, National Utility Contractors Association Vice President of Safety. The summary is printed here with the permission of NUCA and Benjamin Media, Inc.



George Kennedy,
NUCA Vice President
of Safety

Every jobsite should have a person designated to take charge in case of an emergency and every company should have an emergency management plan, according to NUCA Vice President of Safety George Kennedy.



MINIMIZE EQUIPMENT THEFT

Reduce your risk of being ripped off by taking preventive action

The building industry has been booming the past several years with new housing and commercial construction on the rise. Many contractors have taken advantage of the robust economy to grow their businesses and take on additional equipment to keep up with demand.

With more equipment in the marketplace comes more risk, not only from liability and increased financing, but from theft. While the strong economy is good for contractors, it's been equally as good for thieves, who are increasingly taking more equipment from jobsites and equipment owners' yards each year.

According to National Equipment Register (NER), theft is the most frequently reported loss by heavy equipment owners, outpacing

collision, fire, vandalism and other claims. There is no concrete number for what theft actually causes in terms of loss because many thefts go unreported, but industry estimates show it as high as \$1 billion a year. That includes the loss of machinery, insurance costs, downtime that can lead to penalties for not meeting schedule deadlines and other outlays that may result.

What's stolen

Statistics show smaller, easy-to-move machinery is the overwhelming choice of thieves. Skid steers are high on the list because their size allows thieves to easily load and transport them on a small trailer. A recent NER report showed skid steers were the most frequently stolen items, accounting for 33 percent of all thefts. Also popular among thieves are generators because they can be transported using a trailer hitch. Backhoe loaders accounted for 15 percent of all thefts because their versatility makes them profitable and easily sold, while pieces such as excavators and wheel loaders combined made up only 10 percent of thefts.

The reasons for equipment theft vary. According to the NER, the reward for a thief far outweighs the risk. Heavy equipment often has little or no physical machine or site security, so it's easy to steal, valuable and easy to sell. Recovery rates are extremely low, 10 percent to 15 percent, making the thief's risk minimal. When an item is recovered, often no arrest is made.

Adding to the thief's chances of getting away are the time and place of most thefts. Nearly all occur on jobsites during holidays and weekends, when no one is around to

Statistics show smaller, easy-to-move machinery is the overwhelming choice of thieves. Skid steers are the most frequently stolen items because their size allows thieves to easily load and transport them on a small trailer.



monitor activity. That often gives thieves several days before anyone detects a piece of equipment is gone. Many jobsites lack strong anti-theft measures such as motion detection and lighting, video monitoring or even simple things such as fencing. The NER's report showed 70 percent of stolen equipment was taken from a worksite, while only 30 percent was taken from an equipment owner's shop or equipment yard.

So what's an equipment owner to do when it comes to loss prevention? There are several answers, many of which are easy to implement and cost little money compared to the costs associated with losing a piece of equipment.

GPS systems allow constant monitoring

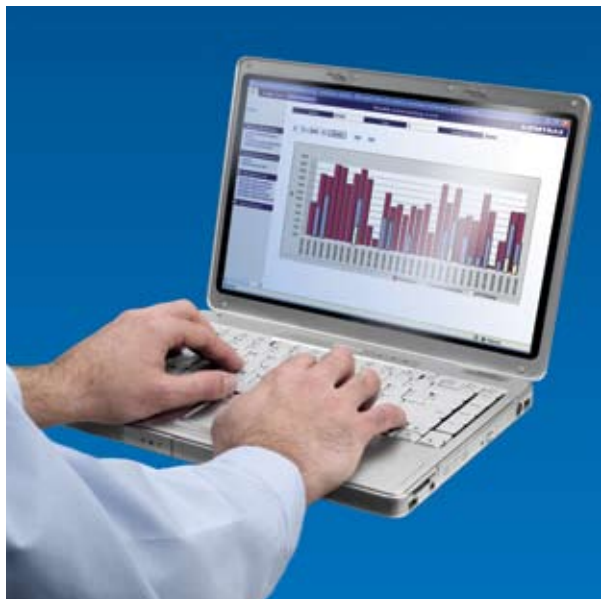
Experts agree that good fleet management is a key tool in reducing your chances of theft. By being vigilant, you can alleviate the risk of your machinery ending up in an auction or chop shop, and increase your chance of recovery if it is stolen.

It's essential to keep detailed records of your equipment, especially the Product Identification Number (PIN) or serial number of your machine and its main components. The PIN number is like the VIN on your car and allows for identification if a machine is stolen and recovered. Many experts believe in registering your equipment with groups such as NER, which keeps a database of equipment and can be used by law enforcement if it suspects a machine is stolen.

Among the more sophisticated management options are electronic means of tracking equipment. There are several GPS (global positioning satellite)-based systems on the market, such as Komatsu's KOMTRAX wireless monitoring system, which allow users to monitor and track equipment continuously. The machine is equipped with a device that is linked to GPS and users can go to their computers to find out vital information such as location, service-meter readings, and daily hours of operation as well as error codes, fuel consumption and fluid levels. While most GPS systems weren't designed to prevent theft, by their nature they are a deterrent to would-be criminals.



When not in use, equipment should be parked in a fenced-in area that contains barbed or razor wire, if possible. Fencing should have a heavy-duty gate with a case-hardened chain and high-security padlock.



GPS systems, such as Komatsu's Komtrax wireless monitoring system, allow users to monitor and track equipment continuously. If criminals know the machines have GPS tracking devices, they are less likely to take them.

If criminals know the machines have GPS tracking devices, they are less likely to take them. Some systems come with an automatic notification system that alerts the owner when a machine is moved during hours of nonproduction. Older machines can be retrofitted with the systems. Of course, if a machine is stolen, being able to track its location will make it easier to find.

Many newer systems come with such features as theft prevention through means of engine lock or "geofencing." Engine lock allows equipment users to prevent the engine from being started or continuing to run. Users can disable the engine during nonproductive hours, or turn the engine off remotely when an alert shows the machine is moving during

Continued . . .

Several methods deter equipment theft

... continued

these times. Geofencing allows the user to set boundaries for the machine and remotely disable it if an alert says it's gone outside the predetermined area.

Secure equipment

There are also several ways to secure a machine, such as using a locking mechanical device that prevents the controls from moving. You've probably seen something similar for your car on television. A bar-like device is put on the steering wheel to prevent it from being moved. The same concept is used for many pieces of heavy equipment, with most ranging in price from less than \$100 to about \$200.

Anchoring or immobilizing machinery by using a cable or chain can be an effective means of securing equipment as well. Other methods of immobilizing the machine include removing batteries or wires and lowering blades and buckets; removing tires for machines that won't be needed right away; and disabling or removing trailer hitches for towed equipment. Of course, don't leave equipment on a trailer unattended. Unload it and secure it to the trailer hitch with a cable or chain.

Other common methods of securing equipment when not in use include putting it

in as secure a location as possible and parking all equipment together in a single row so a missing piece would be noticed right away. You could position larger equipment in a circle, with smaller equipment inside the ring — or lift smaller equipment in the air with a larger piece.

Common methods are effective deterrents

Some of the most effective methods of theft prevention are the simplest, such as posting warning signs on the property and putting up fencing and maintaining it throughout the project. Fencing should be see-through, such as chain link, as high as possible and contain barbed or razor wire, if it's feasible. Don't pile materials on either side of the fence that would allow someone to climb it. Other barriers, such as low walls, posts, dirt berms or ditches, may prevent drive offs.

If possible, have only one entrance/exit to the site, and secure it with a heavy-duty gate. Spot-welding hinge pins will prevent easy removal, and a case-hardened chain and high-security padlock are essential. Limit the number of keys issued to the fenced area.

Limiting the number of keys for equipment can be helpful too. Make a note of who has keys and make it policy to remove keys from machines when not in use. Keep them in a safe or lockable storage area when not in the machine.

Whenever possible, use lights, including motion sensors, and video monitoring.

Report loss quickly

However you choose to limit theft is a personal decision, but there are some things that should be common among all equipment users. Similar to a jobsite safety plan, you should have a theft prevention policy and security plan that set procedures that limit your exposure to theft.

If a theft does occur, report it immediately and work closely with law enforcement, giving them as much information as possible. The sooner you report the loss, the better the chance of recovery is. ■

Securing equipment when not in use is vital. Avoid leaving a machine unattended on a trailer. Unload it and secure it to the trailer hitch with a cable or chain.





D155AX-6

100%

performance
(using 25% less fuel*)

KOMATSU®

Being the best is never good enough. Just as you're always looking for ways to grow your business, Komatsu is constantly working to improve the tools of your trade. We have a long history of innovation across all our lines of heavy equipment and a long list of dedicated customers who count on these innovations as a competitive edge.

- Pushes larger loads
- Reduced operating costs
- Easier serviceability
- Improved operator comfort

Put the best the industry has to offer to work on your next job and discover your competitive edge.

100% Komatsu.

847.437.5800

www.komatsuamerica.com

PERFORMANCE NOTES

“FLAGSHIP” MACHINE

Komatsu PC300 demonstrates significant performance advantages in size class during recent field tests



Peter Robson,
Komatsu Excavator
Product Manager

Spec sheets are very informative and can certainly help guide a contractor who's looking for a new machine. But specs alone don't tell the whole story of how a machine is going to perform in the field. For that, you need field testing, which Komatsu recently conducted for its PC300LC-7 and PC300HD-7 excavators.

At the Komatsu Proving Grounds in Antioch, Ill., the product marketing group and the engineering test group brought in a highly experienced, independent operator to test the PC300s against two leading competitive excavators. The goal was to determine how the machines stacked up against each other.

“With the introduction this year of many new machines with Tier 3-compliant engines, we wanted to see for ourselves where we stood against the competition,” said Komatsu Excavator Product Manager Peter Robson.

The Komatsu PC300HD-7, with its PC300 upper structure on a PC400-size bottom, demonstrated a 20-percent, over-the-side lift advantage over two highly regarded competitive excavators in a recent Komatsu-sponsored test of new Tier 3 machines.



“Specifically, we wanted test results for truck loading, trenching and lifting — and to see how we compared in terms of fuel economy.”

With the results now in, Robson says it's clear that the Komatsu PC300LC-7 and Komatsu PC300HD-7 are “flagship machines” that have significant performance and production advantages over the top competitive brands.

The results

In the truck-loading productivity test, all the excavators loaded similar amounts of material in the same time frame, but the Komatsu units used 6 percent to 10 percent less fuel to accomplish the task.

“We suspected that our ecot3 engine was very efficient relative to the competition, and the test confirmed it,” reported Robson. “Fuel efficiency is definitely on everybody's mind these days and it was one of our top priorities in developing the new engine. With the high cost of diesel fuel, 6 percent to 10 percent represents a considerable savings throughout the life of the machine.”

In the trenching test, the Komatsu advantage was even clearer, with the PC300 pulling 77 feet in 15 minutes, compared to 65 feet and 62 for the competitive excavators. That's 18 percent more trench than one competitor and 24 percent more trench than the other.

“We attribute our trench-pulling success to two primary factors,” explained Robson. “One is our Power Max function, which provides an 8.5-second power boost. If the operator uses it at the proper time, when he's going in for his first bite of material in the bottom

of the trench, it makes a huge difference in productivity. We strongly recommend that all operators experiment with Power Max to learn firsthand what a difference it makes. The other factor is our Komatsu bucket, which has an excellent trenching profile."

The lift test, conducted with buckets off and using a load cell, showed a distinct advantage for Komatsu's heavy-duty PC300HD-7, which features a PC300 upper structure on a PC400 bottom.

"Nobody else offers that type of combination," Robson pointed out. "It substantially increases stability in any lifting application, especially over the side. Our test showed a 20 percent over-the-side lift advantage with the PC300HD-7. The independent operator who tested the units for us said the two most important things to him when he's out on the job are machine stability and comfort, and he said the PC300HD really delivered on both counts. His quote was, 'I'd sure like to take that machine back to my place of work.'"

Komatsu harmony

In watching the equipment perform during the tests — and again, these were all highly regarded excavators with very similar specs — Robson said it struck him that the Komatsu advantage could be attributed to the way everything was designed to work together.

"The phrase that kept coming to me as I watched the PC300s perform was 'Komatsu harmony.' We make our own engines, our own pumps, our own hydraulics, everything. Because we control it all, we can design and fit all the components so they work perfectly together to produce optimum results. I'm convinced that the way those quality components integrate to complement one another is the real key to the Komatsu PC300 performance advantage."

A legendary number

A 300-class machine used to signify 30-metric tons. With operating weights now ranging from about 73,000-pounds up to about 86,000-pounds, it's clear that all manufacturers, Komatsu included, have



In a recent Komatsu-sponsored field test, the Komatsu PC300LC-7 and PC300HD-7 excavators showed significant production and fuel-saving advantages over two top competitive brands in the same size class. The units consumed 6 percent to 10 percent less fuel and were 18 percent to 24 percent more productive in a trenching application.

Brief specs on PC300LC-7 and PC300HD-7

| Model | Horsepower | Operating weight | Bucket capacity |
|-----------|------------|--------------------|------------------|
| PC300LC-7 | 246 hp | 72,432-77,298 lbs. | .89-2.56 cu. yd. |
| PC300HD-7 | 246 hp | 82,453-85,868 lbs. | .89-2.56 cu. yd. |

pushed the envelope a bit since those days. But while many other manufacturers have changed their model numbering system to reflect the larger size, as well as to help them market it as a larger machine, Komatsu has chosen to stay with the PC300 name and number.

"To us, the PC300 is a legendary number for a legendary machine, and changing it just wouldn't be right," said Robson. "It's like the greatest football players. John Elway is No. 7, Johnny Unitas is No. 19 and Jim Brown is No. 32. They couldn't be anything else. And so it is with the Komatsu PC300. It's an instantly recognizable name that has stood the test of time by continually evolving and setting a new standard every step of the way. We think our customers understand and respect that, and aren't going to be confused just because some other machines in the same class have a larger number." ■

For more information on how the PC300LC-7 and PC300HD-7 can help you be more productive and more cost-effective, call your sales representative or the sales office at our nearest branch location.



100% loaded
(with features that deliver results)

KOMATSU®

When it comes to loading and hauling large amounts of material, speed and capacity mean productivity. But to turn that productivity into profitability, you have to consider maintenance, fuel efficiency and reliability. The Komatsu WA600-6 and HD605-7 fit this equation perfectly.

- Fuel-efficient, Tier-3 engines and optimized hydraulics deliver maximum work per gallon.
- Precise, responsive controls allow for faster cycle times.
- Advanced diagnostic technology simplifies maintenance and service.

When every minute—and every dollar—count toward your bottom line, rely on the rugged dependability of precision-engineered machines that are...

100% Komatsu.

847.437.5800 www.komatsuamerica.com

NEW PRODUCTS

NEW MID-SIZE WHEEL LOADERS

Improved fuel efficiency is a key to Komatsu's new Dash-6 models

Fueling your equipment — or more precisely, paying for the fuel that goes into your equipment — is a little painful these days. With the price of fuel at or near a record high, equipment owners are looking for ways to maintain or increase production while limiting their fuel usage.

Komatsu's new Dash-6 series of mid-size wheel loaders (WA380-6, WA430-6, WA450-6 and WA480-6) fits the bill on both counts.

"Each of these new units has more horsepower and can do more work than its predecessor," said Komatsu Wheel Loader Product Manager Rob Warden. "But equally significant, if not more so, is the fact that they are more fuel-efficient."

Warden attributes the fuel savings primarily to Komatsu's new Tier 3-compliant, high-torque, ecot3 engine and variable displacement piston pump hydraulic system with CLSS (Closed-center Load Sensing System). "With our new engine and newly designed variable displacement piston pump hydraulic system that prevents wasted hydraulic flow, fuel efficiency is about 10 percent better than our Dash-5 models. We're confident that they compare favorably to competitive wheel loaders as well."

Helping to further improve fuel-efficient operation is an "E" (economy) operating mode for general loading; an automatic transmission with an "Auto Low" mode for low engine-speed operations; and an "Eco" indicator, which informs the operator when the machine is maximizing fuel efficiency.

"Fuel efficiency has always been important to equipment users, but now, with the price of fuel so high, it can actually be the difference between making money and losing money on a job," Warden pointed out. "At Komatsu, we

understand that and it's why we're producing machines that emphasize fuel savings."

Production advantages

Of course, saving on fuel is only half of the equation — the other half is productivity. The new mid-size Komatsu Dash-6 models have horsepower that is at or near the top of each size class (the units range from 191 horsepower up to 299 horsepower). Dumping clearances, reach and bucket capacity are also among the best the industry has to offer.



Rob Warden,
Product Manager

Continued . . .

| Brief Specs on Komatsu Dash-6 Wheel Loaders | | | | |
|---|--------|--------------------|-----------------|--------------------|
| Model | Net hp | Operating weight | Bucket capacity | Breakout force |
| WA380-6 | 191 hp | 38,760-39,260 lbs. | 3.8-5.2 cu. yd. | 39,860 lbs. |
| WA430-6 | 231 hp | 40,840 lbs. | 4.6 cu. yd. | 40,333 lbs. |
| WA450-6 | 261 hp | 49,090-49,390 lbs. | 4.7-6.8 cu. yd. | 43,160 lbs. |
| WA480-6 | 299 hp | 54,500-54,830 lbs. | 5.0-8.0 cu. yd. | 47,660-55,930 lbs. |

Komatsu's new Dash-6 series of mid-size wheel loaders, including the WA380-6 shown here, are about 10 percent more fuel efficient than the previous models, thanks largely to a new Tier 3 engine and torque converter.



New wheel loaders boost efficiency, productivity

... continued

In addition, the units feature excellent hydraulic cycle times (for example, 5.9 seconds to raise and 1.8 seconds to dump the rated bucket load for the WA380-6); a "P" (power) operating mode for maximum digging performance or hill climbing; and a kick-down switch, which when activated by the operator, automatically downshifts at the beginning of a digging cycle and upshifts when the machine is placed in reverse. The result is increased rim pull for better bucket penetration and reduced cycle times.

"When you put it all together — fuel efficiency, power and performance features — we believe these new mid-size Komatsu wheel loaders are true industry leaders that will improve a contractor's performance in a wide range of tasks at almost any construction or quarry site," said Warden.

Largest cab in class

All those production/performance capabilities aren't going to do much for you if your operator doesn't like to be in the machine. Nothing improves productivity like a comfortable operator, and Komatsu's Dash-6 wheel loaders are loaded with features designed to make an operator more comfortable and productive. It starts with the cab itself, which is the largest in its class, providing ample space for an operator of almost any size.

The cab is also extraordinarily quiet and provides great visibility, thanks to a wide, pillarless, flat-glass front window. Large cab

doors are rear-hinged to open fully, offering easy entry/exit, and will not hamper visibility when operating the machine with the doors open.

Operation itself is a snap with PPC (proportional pressure control) levers that are on a column that can be slid forward or backward for optimum comfort, and a steering wheel that tilts and telescopes so it's always the perfect distance from the operator. The automatic shift in ranges two through four keeps production high and reduces the amount of manual shifting, thereby helping keep operators fresh throughout a long shift.

Maintenance made easy

Komatsu also took care to make the mid-size Dash-6 wheel loaders as easy as possible to maintain and service. One of the major advancements in this regard is a new main monitor that informs the operator of all machine functions and alerts him if an abnormality occurs. The monitor also stores information on any abnormalities to help technicians troubleshoot the machine for repair. In addition, the monitor informs the operator when it's time to replace oil and filters.

Other maintenance features include full, side-opening, gull-wing engine doors for ground-level engine service and daily checks; wet, multidisc service and parking brakes that are fully sealed to reduce contamination, wear and maintenance; and a reversible hydraulic cooling fan that helps keep the radiator clean when operating in adverse conditions.

The Komtrax wireless equipment monitoring system is standard equipment on all Dash-6 wheel loaders.

Komatsu-integrated design

Unlike some manufacturers, Komatsu designs, engineers and manufactures its products, including the new Dash-6 wheel loaders.

"From the engine to the hydraulics to the power train to the frame, our machines are all Komatsu," confirmed Warden. "We think that's significant because it allows all major components to work together optimally for maximum reliability and productivity. We believe the result is machines that are the best value on the market." ■

The new mid-size Komatsu Dash-6 wheel loaders feature outstanding horsepower and dumping clearance, as well as the largest cab in their respective classes.





Komatsu's broad line of mining shovels rise above the competition. These diamonds in the rough offer larger buckets. More powerful digging forces. Faster cycle times. Simplified maintenance. Advanced technology that, combined with Komatsu's years of mining experience, helps you reduce downtime, increase productivity and set your own standard.

For details, contact your local Komatsu distributor. Call 1-800-Komatsu. Or visit KomatsuAmerica.com

KOMATSU®



COMPACT TRACK LOADERS

100%

anywhere – anytime

KOMATSU®

Komatsu compact track loaders are light on their feet so they can perform more jobs, more of the time. Their low-ground-pressure, wide rubber tracks provide smooth and stable operation. Standard joystick controls, ease of service, durability, reliability and quality make Komatsu compact track loaders the ultimate comfort and productivity package.

- Low-effort Proportional Pressure Control (PPC) loader joysticks have optional SAE/ISO pattern changer.
- Spacious and ergonomically designed operator platform provides exceptional visibility.
- Low-ground-pressure rubber track system provides outstanding stability and mobility.
- Wide-opening rear door and tilt-up engine cover make access to service check and fill points a snap.
- Radial lift and vertical lift loader models make it easy to choose the right machine for your business.

When you want a machine that can work all day, every day, the choice is 100% clear. Put a Komatsu compact track loader to work today and enjoy the confidence that comes from machines that are...

100% Komatsu.

847.437.5800 www.komatsuamerica.com

MORE NEW PRODUCTS

NEW COMPACT TRACK LOADERS

**High performance, high flotation, high value
set these units apart from the competition**

Komatsu recently introduced two new, compact, rubber-track loader models. The model CK30, with 2,485 pounds operating capacity, and CK35, with 2,755 pounds operating capacity, are Komatsu's first entries into the fast-growing compact track-loader market segment.

"Contractors are flocking to compact track loaders because they work in conditions where wheel-type skid steer loaders struggle," said Skid Steer Loader Product Manager Bob Beesley. "The low ground pressure (four to five psi) makes them ideal for any job, but especially in soft conditions or where minimum soil compaction is desired. That describes the lion's share of skid steer loader applications."

According to Beesley, Komatsu offers the best of both worlds in loader design too. The CK30 loader uses radial-lift-path technology, while the larger CK35 is a vertical-lift-path loader. The radial lift path is ideally suited to ground-engaging applications, while the vertical lift path, with its 129-inch hinge-pin height (eight inches more than the CK30), is more suited to material-handling and truck-loading operations. A Komatsu 84-horsepower, high-torque, turbocharged diesel engine powers both units.

Like all Komatsu machines, the new CK30 and CK35 compact track loaders are equipped for maximum comfort and productivity with PPC (pilot proportional control) joystick controls, which are easy for any operator to use. A two-speed transmission provides faster ground speed and loading cycles compared to machines with a typical single-speed transmission. Other comfort features include a flat floor, foot throttle and an optional enclosed cab with heater or heater and air conditioner.

Beesley also says Komatsu further separates itself from competitors when it comes to the undercarriage. Before adopting the final design, Komatsu engineers studied existing undercarriage and track systems and identified both strengths and weaknesses. "The result is a system that maximizes the life of the rubber track and provides an offset track-pad pattern for a smoother ride," said Beesley.

Finally, and maybe most important, is Komatsu's attention to service and maintenance. While most competitors' machines require daily greasing, these Komatsu units require lubrication at 250-hour intervals. A tilt-forward cab and engine cover provide access to all engine, driveline and hydraulic components and users can perform the everyday machine checks by simply raising the lockable engine cover.

"Komatsu compact track loaders are light on their feet. They're comfortable, productive, value-packed, service-friendly and offer state-of-the-art safety features," summarized Beesley. ■

Brief specs on the CK30 and CK35

| Model | Operating Capacity | Weight |
|-------|--------------------|-------------|
| CK30 | 2,485 lbs. | 9,546 lbs. |
| CK35 | 2,755 lbs. | 10,053 lbs. |

Komatsu's new CK30 and CK35 compact, rubber-track loaders offer versatility and productivity on the jobsite.



KOMATSU & YOU

PRODUCT IMPROVEMENT

Komatsu Executive Vice President says innovation requires a commitment to R&D



**Kazuhiko Iwata, Executive Vice President,
North American R&D Division**

This is one of a series of articles based on interviews with key people at Komatsu discussing the company's commitment to its customers in the construction and mining industries — and their visions for the future.

Kazuhiko Iwata has always been fascinated with large equipment. After graduating from the prestigious University of Tokyo in 1975 with a degree in Mechanical Engineering, he joined Komatsu because, in his words, "That's where the large equipment was."

Iwata's first assignment with Komatsu was with the Research and Development (R&D) division's design engineering team, where he was put on a project to help develop the company's first 100-ton dump truck. In the late 1970s, he accompanied the prototype 100-ton truck to Spain for two years of mine site testing. After testing, the HD1200M was released to the market and has been a very successful product for Komatsu.

Since then, Iwata has served as design manager for articulated dump trucks, including a three-year posting in Norway — and as General Manager of Komatsu's Construction Equipment Technical Center #2 in Japan, where he oversaw the design of rubber-tire machines.

In August 2004, he was appointed Executive Vice President, North American R&D Division. In the position, he oversees the activities of Research and Development personnel in both Peoria, Ill., and Chattanooga, Tenn. "I still love big equipment, so for me, the position I have here in America is great because I get to work on mining trucks again — and equipment doesn't get much bigger than that," said Iwata.

When he's not on the job, Iwata enjoys playing golf. "I'm not that good, but it's fun for me. And like all golfers, I hope to get better."

QUESTION: How important is Research & Development (R&D) to Komatsu?

ANSWER: It's vitally important. That's why Komatsu spends more than three percent of total sales on R&D. That's a significant commitment year-in and year-out, but necessary for us to remain a leader in the equipment industry.

Globally, we are the No. 2 manufacturer of heavy equipment. For us to close the gap on No. 1, we must be innovative and we must develop new and better equipment before they do. At Komatsu, we don't believe in copying what somebody else has done. We consider ourselves a pace-setting company and R&D is a crucial aspect of that.

QUESTION: Give us some examples of recent Komatsu R&D successes.

ANSWER: Much of our emphasis in recent years has been on engine development to meet emissions regulations. Our Tier 3-compliant ecot3 engine is a good example of R&D success. It's in our newest machines and is working very well, delivering both better fuel economy and higher horsepower. We're very pleased with the way it's performing.

R&D is also a crucial part of Komatsu's "Unique and Unrivaled" products strategy, whereby we are producing specific machines that are clearly and demonstrably superior to any competitive products. Recent examples of those would be the WA600-6 wheel loader and D155AX-6 (Sigma) dozer, both of which are significantly more productive and efficient than anything else in their class.

QUESTION: In North America, what is Komatsu's R&D emphasis?

ANSWER: Komatsu operates under the concept of "Mother" Technical Centers. For most

products, the Mother Tech Center is in Japan, but our Peoria plant is Komatsu's Mother Center for mining trucks and Chattanooga is the Mother Center for small dozers, so those are areas of emphasis for us. Komatsu engineers are also involved at each North American manufacturing plant to customize and modify machines for this market.

QUESTION: What kind of things are you working on right now?

ANSWER: (Laughs) We don't want to give away secrets so we can't reveal everything. Also, it's called research for a reason. Sometimes the research tells us that certain plans will not work, so we don't like to talk a lot about what we're working on because it may not pan out. Generally speaking however, we're working hard right now on making our equipment more cost effective.

QUESTION: I would assume improving fuel efficiency is one thing you're working on to try to improve cost effectiveness.

ANSWER: Certainly. Fortunately, our fuel efficiency is very good relative to the competition, so it's not like we have to play catch-up — but yes, we are working to make our equipment even more fuel efficient.

It's important to note, however, that fuel efficiency is only one part of cost effectiveness as it relates to construction and mining equipment. Our real effort is to help customers lower their overall owning and operating costs relative to production. In other words, help mining customers reduce their cost per ton and construction customers lower their cost per yard. The high cost of fuel is a very important part of that equation, but it's still only a part. There are many other factors such as acquisition cost, repair and maintenance costs, capacity, cycle times and availability that also impact equipment cost effectiveness.

QUESTION: If you look into your crystal ball, what do you see happening in the construction equipment industry over the next decade or so?

ANSWER: I'm not sure there will be any revolutionary changes, but certainly there will be evolutionary improvements to equipment.



Komatsu's strong commitment to research and development (R&D) is evident at its factories, such as the Chattanooga Manufacturing Operation, and in "Unique and Unrivaled" products like the WA600-6 wheel loader.



Komatsu's Peoria, Ill., plant heads up the manufacturer's worldwide R&D efforts for large mining trucks like the 330-ton 930E.

For instance, I think there will be significant powertrain management advances such as hybrid or electric drive. The automobile industry will probably give us a good indication of where we might be going, especially for trucks.

QUESTION: When a contractor or mining customer hears the name Komatsu, what do you want to be the first word that pops into his head?

ANSWER: Reliability. A machine needs to work every day in order to deliver the best return to the customer, so when a customer says his Komatsu units are his most reliable machines — that makes me happier than anything else. ■

INDUSTRY NEWS

Upcoming shows slated for asphalt paving industry

Asphalt paving professionals have a couple of industry-related educational opportunities available to them early in 2007.

The National Asphalt Pavement Association (NAPA) will hold its 52nd annual meeting February 18-21 at the San Francisco Marriott. Educational sessions scheduled include one entitled "Managing in an Environment of Material Shortages and Energy Price Volatility," while another will focus on "How to Attract, Retain and Motivate a Quality Workforce."

Other topics to be covered include sessions on management and leadership, funding issues at the federal level, the latest information on asphalt technology, and a variety of environmental and engineering

topics. You can register online at the NAPA Web site www.hotmix.org.

One month later, World of Asphalt 2007 will be held March 19-22 at the Georgia International Convention Center in Atlanta. According to organizers, the event will feature exhibits of the latest technologies and products from leading manufacturers and industry service providers, plus extensive industry-focused educational sessions. New for the 2007 show are operator certification programs and a tour of the National Center for Asphalt Technology, located at Auburn University in Alabama.

For more information or to register online, go to www.worldofasphalt.com or call (800) 867-6060. ■



**Quick
Couplers +
Durable
Attachments =
Increased
Jobsite
Productivity**

Paladin Heavy Construction manufactures a full line of couplers, buckets, forks and specialty attachments for wheel loaders, wheel loader backhoes and excavators – precisely the equipment you need for versatility and greater productivity. Because we offer brand names you know and trust – like JRB, C&P and Badger – we're sure to carry the right attachments you need to achieve highest productivity at the lowest cost.

Contact us today at 1-800-4-BUCKET. We have the attachments and couplers you need in stock and ready to go.

We invite you to learn more about our product offerings at www.paladinbrands.com.

Available through Linder Industrial Machinery Company.



PALADIN HEAVY CONSTRUCTION

EQUIPMENT INNOVATION

"SOLD" ON KOMTRAX

Contractor unexpectedly discovers benefits of Komatsu's equipment monitoring system

When Ralph Camputaro & Son Excavating of North Branford, Conn., bought a Komatsu PC400LC-7 earlier this year, it did so because it wanted the additional size and power the machine would deliver compared to the company's three PC300s. The fact that the PC400 was equipped with the KOMTRAX equipment monitoring system meant little to the company at the time.

"I knew what KOMTRAX was, but we didn't have it on any of our existing machines — and I can't say I was necessarily looking for a unit that had the KOMTRAX system in it," said Vice President Dennis Camputaro. "However, now that we've been exposed to it, KOMTRAX will absolutely be something I want on machines we buy in the future."

With KOMTRAX, Camputaro says he knows where his PC400 is at all times; he knows what it's doing; and he knows the service meter readings.

"I'm completely sold on the benefits of the KOMTRAX system," asserted Camputaro. "The major advantage is that it allows us to preplan our service and maintenance intervals, which makes us more efficient. By knowing in advance when we're going to have the machine down for service, scheduling is much easier and the whole rhythm of our operation runs much more smoothly."

Monitor productivity

Camputaro says the other thing he really likes about KOMTRAX is that it lets him monitor the productivity of individual operators.

"It helps me see which operators are more productive in different applications. Knowing

that, I'm better able to match the right operator with the right machine to the right job. Basically, I like everything about KOMTRAX and believe it's definitely an advancement that will help us be successful as we move forward."

KOMTRAX is standard equipment on almost all new Tier 3-compliant Komatsu machines and is available as a retrofit for older machines or non-Komatsu equipment. ■

For more information on KOMTRAX and how it can benefit your operation, contact your sales representative or our service department.

Like all Tier 3-compliant Komatsu excavators, this PC400LC-7 is equipped with the KOMTRAX equipment monitoring system. Although Dennis Camputaro says he wasn't particularly interested in KOMTRAX when he bought the machine, he now says, "KOMTRAX will absolutely be something I want on machines we buy in the future." He says he especially likes the ease of service scheduling and the production information he receives from the system.



Dennis Camputaro,
Vice President



DISTRIBUTOR CERTIFIED

BEFORE AND AFTER

How a Certified used machine from Linder differs from other used machines



Lee Haak,
Komatsu ReMarketing
Director

What's the difference between a Komatsu Distributor Certified used machine and any other used machine? Linder Industrial Machinery Company ReMarketing specialist Frank Eusebio will be happy, not just to tell you, but to show you. He helped put together a dramatic "before-and-after" example of what distributor certification means by utilizing a used Komatsu D61 dozer.

"Because a Komatsu Distributor Certified used machine costs more, customers want to know why — and they want to know if it's worth spending the additional dollars," said Eusebio. "I wanted to quickly and easily demonstrate the difference between a certified used machine and a used machine that hasn't been certified. To do that, I came up with the idea to certify half of a machine."

Frank Eusebio, Linder Industrial Machinery ReMarketing Manager stands in front of a Komatsu D61 dozer, half of which was repaired and certified by Linder, while the other half was left "as is." "We want to show customers that not all used equipment is the same," said Eusebio. "A Komatsu Distributor Certified machine costs more because it's worth more and this 'before and after' unit demonstrates that dramatically."



So that's what Linder did.

"We took an old D61 that came in on trade and we certified one side of the dozer, leaving the other side 'as is,'" Eusebio described. "The difference is very striking."

Inspection, repair and reinspection

Komatsu distributor certification starts with a detailed inspection by a specially trained Linder technician. "This is where we find out what's right and what's wrong with the machine," explained Eusebio.

The next step is to repair the items found to be substandard in the inspection.

"After we make repairs, we reinspect the machine before certifying it," Eusebio noted. "Certification is like the 'Linder Seal of Approval.' It's a guarantee from us that the machine is in the condition we've certified it to. Basically, it means we're going to stand behind it after we sell it, so we don't want any surprises either."

Financing and a warranty

According to Komatsu ReMarketing Director Lee Haak, Komatsu machines are excellent candidates for certification. "The great thing about Komatsu machines is that the original equipment is built to such a high quality standard, it's worth repairing. That's why we're able to put Distributor Certified machines back in the marketplace for a second life, and do so with confidence that they'll perform productively and reliably."

Because of the high initial quality of the equipment and because of the high quality of the repairs, a Komatsu Distributor Certified

used machine typically qualifies for special financing and an extended warranty.

What was done

Looking at the before-and-after D61, much of the certification work is obvious. Linder technicians rolled out dents, reupholstered the seat, and sanded and painted the machine. On the blade, they replaced the blade skin and push plate on the front, refurbished the pins and bushings on the back and replaced the cutting edge.

"The biggest thing we did to the D61 was replace the track, which was in bad shape," said Eusebio. "We installed new sprockets and new wear strips for the idlers and replaced all the rollers. We also checked the roller frame for cracks. As it turns out, the side we didn't repair has a hairline crack on the frame that you might miss if you were casually inspecting the machine at an auction, but we specifically check for that type of thing."

Linder also replaced all the final-drive oils and ran an oil analysis to check for any metal particles that would indicate unusual wear. In addition, technicians serviced the hydraulic system and sampled its oil, and repacked cylinders as needed.

"The repairs necessary on this particular machine might raise the cost as much as \$20,000 more than buying it 'as is,'" said Eusebio. "While that's a lot of money, it's substantially less than the repairs would cost if a buyer chose to make them after the fact. And it's definitely less costly than having a machine break down during the middle of a busy job."

"We think the before-and-after machine presents a very obvious case for certification," he added. "The bottom line is, with a Komatsu Distributor Certified used machine from Linder, you can buy with confidence. You know what you're getting and you know what it's going to do because we've inspected it, we've repaired it, and we're going to stand behind it."

On display

Eusebio says he plans to take the before-and-after D61 to several auctions in the first part of 2007 to show used equipment buyers the difference between a used machine that's



The "used" side of the "before and after" D61 (above) shows substantial wear, including a blade that has seen much better days and a track that needs to be replaced, as well as numerous dents and a worn paint job.

In comparison, the Distributor Certified side shows a machine with a wholly refurbished blade, a replaced track, and a sharp-looking paint job. In addition, Linder technicians analyzed oil to determine if there were internal problems to address and they repacked hydraulic cylinders.



sold "as is" and a machine that's Komatsu Distributor Certified by Linder Industrial Machinery.

Otherwise, the machine will be on the yard at Linder's Pembroke Pines branch in the Miami area, so if you're in south Florida and would like to take a look at it, give Frank a call and he'll be glad to show it to you.

For more information on how a used machine earns Komatsu Distributor Certified status, go to www.komatsuamerica.com and click on "used equipment," then click on "What is ReMarketing?" to view a multimedia presentation. ■





KOMATSU DISTRIBUTOR CERTIFIED USED EQUIPMENT

The next best thing to new.



*If it can be measured,
we measure it!*

Whether you're looking for a high-quality machine that will become part of your fleet, or for a machine that will get you through the busy season, Komatsu Distributor Certified Used Equipment is your best alternative to buying new.

If it can be measured, we measure it! Specially trained Komatsu Distributor Certified evaluators check, measure and diagnose virtually every aspect of the machine. Once the machine meets Komatsu's high performance standards, your local distributor can tailor the machine for your site-specific needs. And to add to your peace of mind, most Komatsu Distributor Certified Used Equipment is eligible for special financing and warranty.

Purchasing Komatsu Distributor Certified Used Equipment makes sound business sense. You'll receive good value for your money and a reliable and productive machine that will get the job done for years to come — we guarantee it!

To learn more about Komatsu ReMarketing's Distributor Certified Used Equipment, contact your local Komatsu Distributor or go to our Web site at www.equipmentcentral.com and click on "used equipment."

PARTS POINTERS

KOMATSU KMAX TOOTH SYSTEM

Cost and time savings are major benefits of patented, reusable locking design

As a Purchasing Agent/Warehouse Manager for Delrick Corporation, Inc. of Tazewell, Va., John Hicks's job is to make sure parts are always available for a good-size fleet of equipment. So he's always willing to try a product that may lighten his work load.

"It's not easy keeping up with the needs of our machinery, but it has to be done," said Hicks. "So when our sales representative offered me the chance to try out Komatsu's KMAX tooth system, I was open-minded. I'm glad I was because it's one of the best decisions I've ever made. By far, it's the best tooth system that anyone has ever come up with."

Developed by Hensley, the KMAX tooth system is revolutionary in design, and features a reusable locking mechanism that makes installation and removal fast and safe. Once a tooth is put on the bucket shank, it's locked in place with a 90-degree turn of a socket, eliminating the old and sometimes dangerous method of hammering pins out.

"We've already seen a cost savings," said Hicks. "We've used the KMAX teeth for almost two years without replacing any. They stay in place until you want them off, and you don't have to replace pins. When we changed a tooth before, we had to drive the old pin out, and then it wasn't usable again. At \$12 to \$13 per pin and about 50 pins a month, that adds up quickly."

Designed for long life

KMAX teeth have been tested and proven in the field under the most demanding and punishing conditions. Made of the highest-quality cast alloys, each tooth is heat-treated to the core for hardness and durability to maximize wear life and sharpness.

State-of-the-art, 3-D-modeling software was used to optimize the tooth and adapter shapes (five shapes are available) to fit a variety of machines and applications. All teeth have a similar elliptical shape that minimizes stress and maximizes material flow. The ease of installation and removal allows users to easily flip teeth in cases where working methods and conditions cause unbalanced wear.

Hicks has kept the trial set of teeth and ordered a second set. Soon he plans to have all his machinery converted to the KMAX system. "We know it works," he said. "The cost savings have been fantastic. The mechanics and operators love it because they're not risking injury by pounding pins. It's incredible." ■



John Hicks,
Delrick Corporation,
Inc.

The KMAX tooth system features a reusable locking mechanism that makes installation fast and safe. "They stay in place until you want them off, and you don't have to replace pins," said John Hicks of Delrick Corporation, Inc.



C.P.I.
P.O. Box 1689
C.R., IA 52406-1689

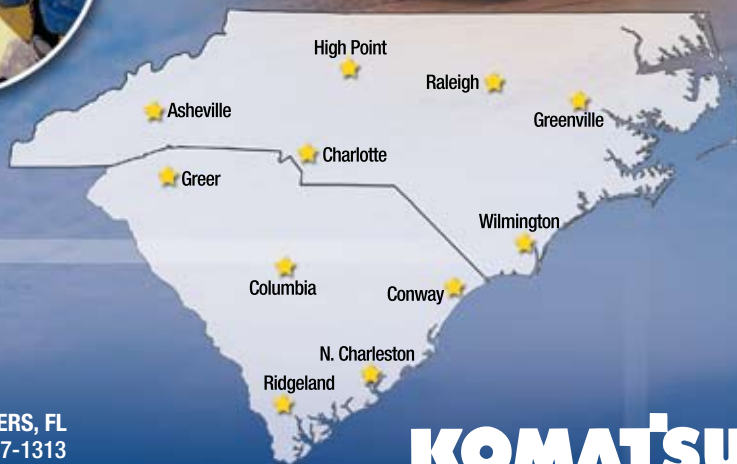
Change Service Requested

Presorted Standard
US Postage Paid
C.P.I.

LINDER

One strong source for world-class products backed by outstanding product support.

LINDER INDUSTRIAL
MACHINERY
COMPANY
BUILDING ON A TRADITION OF EXCELLENCE



KOMATSU

Florida

PLANT CITY, FL
813-754-2727

JACKSONVILLE, FL
904-786-6710

ORLANDO, FL
407-849-6560

FT. MYERS, FL
239-337-1313

TALLAHASSEE, FL
850-514-1919

OCALA, FL
352-629-7585

PEMBROKE PINES, FL
954-433-2800

WEST PALM BEACH, FL
561-863-0571

Carolinas

RALEIGH, NC
800-942-0223

HIGH POINT, NC
336-665-0110

ASHEVILLE, NC
800-333-3683

CHARLOTTE, NC
800-532-6679

WILMINGTON, NC
910-254-2031

GREENVILLE, NC
252-695-6200

GREER, SC
864-877-8962

COLUMBIA, SC
800-777-6150

CONWAY, SC
843-349-1100

RIDGELAND, SC
843-987-0070

N. CHARLESTON, SC
843-552-0095