

PUSHING AHEAD

A PUBLICATION FOR AND ABOUT CLAIREMONT EQUIPMENT CUSTOMERS • 2012 No. 4

NEW, MORE PRODUCTIVE DOZERS

Komatsu D61-23 dozers with next-generation hydrostatic transmissions increase productivity, efficiency

See article inside . . .



A MESSAGE FROM THE PRESIDENT



Ronald Zagami

Consider new machines that get more done more efficiently.

Clairemont Equipment Company Parts • Rentals • Sales • Service 7651 Ronson Road • San Diego, CA 92111-1990 • TEL (858) 278-8351 • FAX (858) 492-9959

Dear Valued Customer:

Recently, we've seen encouraging signs in the construction industry, including the homebuilding and infrastructure segments. We hope that momentum carries into the new year and beyond.

The final quarter of the year is always a good time to assess your fleet. Whether that means updating your fleet through outright purchase or trade-in, or doing needed maintenance on your equipment, we're here to help. Remember, purchasing new equipment by the end of the year makes you eligible for a 50-percent depreciation bonus, which allows you to write off half the cost on your 2012 taxes.

If you're looking for equipment, we believe we carry the top brands in the marketplace. Included in our extensive lineup are new Tier 4 Interim machines, such as Komatsu's redesigned D61-23 dozers that feature slant-nose hoods similar to the popular D51 models. Komatsu also introduced a new WA470-7 wheel loader that, like other new machines, gets more done more efficiently. You can read about both in this issue of your Clairemont *Pushing Ahead* magazine.

Most new Komatsu machines allow operators to choose working modes. I believe you'll find the article on Power mode versus Economy mode a good guide on which to use in your applications. This issue also presents informative articles on Komatsu's technology team and how it's working to find ways to make your business more efficient.

Maintaining your equipment is critical. We stand behind Komatsu Tier 4 Interim machines with Komatsu CARE, offering complimentary scheduled maintenance and diesel particulate filters. Our service departments also provide cost-effective solutions to maintaining your older equipment, whether it's a brand we carry or a competitive one.

As always, if there's anything we can do for you, please call or stop by one of our branch locations.

Sincerely,

CLAIREMONT EQUIPMENT COMPANY

Ronald Zagami, President

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SUSTAINABLE SOLUTIONS

Green movement goes beyond buildings as it gains prominence in roadway construction

Throughout the past decade, the idea of "green" construction has continued to gain prominence, mostly in buildings. Those projects include site-work plans, which consider stormwater runoff, the building materials used in erecting the structure and indoor factors, such as low-energy lighting.

By most accounts, the concept of green building is paying off. More recently, that same focus has been put on the road- and bridge-building industry as a way to make more sustainable highways, streets and trails. In the last few years, several institutions and governmental agencies have conducted research in an effort to spotlight best practices and long-term solutions to making the nation's roadway infrastructure last longer with less environmental impact.

Onsite crushing and recycling of old concrete roadways are becoming standard practices around the country. The materials are often used as subbase under new highways and streets.



The U.S. Department of Transportation's Federal Highway Administration (FHWA) defines sustainability as "the capacity to endure." It says a sustainable highway should satisfy our developing society's functional needs and its economic growth, while striving to enhance the natural environment and reduce consumption of natural resources.

Sustainable transportation may be defined in many ways, according to the FHWA, which describes environmental, social and economic impacts as the three pillars of the "triple bottom line." Transportation agencies address sustainability through a wide range of initiatives, such as livability, smart growth, recycling, planning and environmental linkages.

To assess a project's sustainability, FHWA created a self-evaluation tool known as INVEST (Infrastructure Voluntary Evaluation Sustainability Tool), a Web-based collection of best practices that allows states to integrate sustainability into their projects.

FHWA conducted a pilot test of the assessment tool last year and collected feedback, which prompted improvements before the release of Version 1.0 of INVEST this year. Those improvements included the ability to evaluate specific projects through project development criteria; simplified criteria and scoring; and a basic scorecard appropriate for preservation, restoration and small construction projects.

Working together

In addition to measuring roadway construction sustainability, FHWA provided initial funding for the Recycled Materials Resource Center when it was founded five years



There's a push to use less virgin material and more recycled material in new-road construction. The Greenroads Foundation developed a rating system for Greenroads certification, much like LEED certification for buildings.

ago. The Center's mission is to "... develop and distribute technology needed to use recycled materials in the transportation infrastructure in a cost-effective and environmentally sound manner." The Center has conducted more than 60 research projects, with a major focus on reducing the more than 4.5 billion tons of waste generated annually in the United States.

At the time of the Center's founding at the University of New Hampshire, Associate Professor of Civil Engineering and Co-Director of the Center Dr. Kevin H. Gardner said in a Science Daily article, "We have a real opportunity to rebuild the infrastructure the right way with sustainable materials and socially sensitive designs that protect air, water, land and human resources."

According to the Center, wastes presently being reused or under consideration for reuse in the U.S. include reclaimed asphalt pavement (RAP), Portland cement concrete, recycled concrete pavement (RCP), coal fly ash (CFA), waste tire products, blast-furnace slags, steel slags, coal bottom ash, construction debris, foundry sands and mining wastes.

Certain materials, such as RAP, RCP and CFA, are widely used in highway construction,

the Center notes. Many other waste materials have been used in limited regional or state applications, driven mostly by local pressures to avoid waste disposal. Federal and state interests and initiatives need to come together to address this situation.

Recycled toilets lead to first certification

About the same time as the Center's founding, another group at the University of Washington began developing a sustainability rating for bridge and road building. That led to the founding in 2010 of the nonprofit, third-party Greenroads Foundation, which established the Greenroads Rating System.

Greenroads is much like the more well-known LEED (Leadership in Energy and Environmental Design) certification, which applies to building construction. Greenroads rates projects as Certified, Silver, Gold and Evergreen, with the latter being the highest level.

Ratings are based on several factors, including 11 requirements that must be met for a roadway project to be considered a Greenroad and 37 voluntary "credits." Points

Continued . . .

Sustainable roadways make big difference

.. continued

for voluntary credits add to a final score that determines a project's rating. The Greenroads Foundation has conducted more than 100 case studies with more than 20,000 hours of research.

Earlier this year, the Foundation gave its first-ever certification for the Meador/Kansas/Ellis Trail Project in Bellingham, Wash. The \$850,000 project involved new, low-energy, LED street lighting, stormwater management and improved walkways in a six-block span of downtown Bellingham. The project included porous pavement that naturally treats runoff and provides effective stormwater management, along with asphalt with a recycled content of 30 percent and recycled concrete aggregate.

Materials such as these have become somewhat commonplace through the years. So what made this project stand out? The use of more than 400 porcelain toilets, which were crushed and used in the concrete mix.

The innovative idea earned the project Silver Certification.

"Sustainable roadways are not just a dream," said Jeralee Anderson, Executive Director Greenroads Foundation. "This certification represents a culmination of a five-year process to research, develop and implement a sustainability rating system for the roadway industry."

Founder and Greenroads Foundation Board Member Steve Muench said the Greenroads Rating System can be used outside the U.S. Globally, 12 projects are currently pursuing Greenroads certification, ranging from new construction and reconstruction to overlay and bridge projects, according to the Foundation.

"The Greenroads Rating System can be used to help manage, improve and communicate sustainability," said Muench. "It represents an independent verification of sustainable features that truly matter and make a difference."

Governmental agencies and outside organizations encourage the use of recycled materials in new roadway construction. Materials include reclaimed asphalt, recycled concrete, waste tires and coal fly ash, among others.



MORE FUNDING STILL NEEDED

Highway bill does not end battle for sustained highway investments

In July, President Obama signed a new surface transportation law, Moving Ahead for Progress in the 21st Century (MAP-21). Though the fight for a new highway bill is now past, the battle continues for a long-term, robust, sustainable revenue stream for transportation infrastructure.

The new 27-month reauthorization will provide \$39 billion and \$40 billion for transportation investments in fiscal year (FY) 2013 and 2014 respectively. This continues current operating authority with a 1.4-percent annual adjustment for inflation. Of this amount, more than \$37 billion annually is designated for core federal-aid highway programs, available to states through distribution under the federal funding formula. Additionally, MAP-21 extends the Highway Trust Fund and user collections through FY 2016 (two years past the bill's expiration), providing greater certainty.

Beyond the direct federal spending, other provisions of the new law are designed to increase investment. MAP-21 allows for expanded tolling and dramatically expands the Transportation Infrastructure Finance & Innovation Act (TIFIA), a program that provides credit assistance to help attract nonfederal and private investment in large-scale projects. The final measure also includes provisions to consolidate transportation programs, reducing the number of federal transportation programs from 90 to 30. It speeds up the environmental and regulatory reviews of projects, providing automatic approvals for rebuilding after an emergency and setting a federal threshold under which reviews will not be necessary.

Though MAP-21 contains provisions that will benefit construction, as well as the broader national economy, the law fell short in several important respects. Most notably, lawmakers

failed to address the serious threat to the nation's long-term economic health by refusing to consider a means to revise funding mechanisms for transportation infrastructure investments. While the law continues to collect fuel taxes to prop up the Highway Trust Fund through the end of FY 2016, it ignores the basic fact that such taxes are woefully inadequate and cannot meet current obligations, let alone any program expansion.

MAP-21 is a significant victory, but it does not offer the kind of robust long-term investments our national transportation networks desperately need. The extension of current funding is great, but without finding a way to pay for our surface transportation infrastructure, lawmakers merely kicked the can down the road, leaving the issue for a future Congress to resolve.

In the months ahead, AED will be urging congress to tackle the revenue issue as part of the broader tax and budget reform debate. We hope distributors everywhere will join in that effort and help get the Highway Trust Fund back on solid footing. ■



Christian Klein, Association of Equipment Distributors VP of Government Affairs

MAP-21 provides more than \$100 billion for roads and other infrastructure projects for a period of 27 months, through fiscal year 2014. Industry groups such as AED say additional long-term funding is a necessity.



ADDITIONAL MONEY SOURCES

Infrastructure programs provide funding within and beyond the new highway bill

Passage of the highway bill, Moving Ahead for Progress in the 21st Century (MAP-21), brought more than \$100 billion in funding for roads, bridges and other infrastructure through the end of fiscal year 2014. But that's not the only source that may be available to those looking for ways to fund construction projects.

MAP-21 provides significant funding for the Transportation Infrastructure Financing and Innovation Act, or TIFIA. The program provides credit assistance to states and localities wanting to pursue transportation projects of regional and national significance. It seeks to leverage federal funds to attract private and other nonfederal dollars, according to Christian Klein, President of the Associated Equipment Distributors.

States may be able to leverage additional funds for transportation projects by using TIFIA financing. They can also tap into unobligated funds that were previously available under past appropriations measures but never spent.



Financing assistance through TIFIA — which is available for up to 33 percent of an eligible project's costs — comes with three options: through secured loans that offer flexible repayment terms and allow for financing of both construction and capital costs, allowing borrowers to take up to 35 years to repay the loan; loans whereby the federal government guarantees a borrower's repayments to a nonfederal lender; and standby lines of credit to supplement project revenues for up to 10 years after completion.

According to the Federal Highway Administration, each dollar of federal money can provide up to \$10 in TIFIA credit assistance and leverage \$30 in transportation infrastructure investment.

"That means the \$1.75 billion authorized for TIFIA in MAP-21 (\$750 million in 2013 and \$1 billion in 2014) could generate as much as \$52.5 billion worth of construction activity," according to Klein.

Unappropriated earmarks available

In addition, Transportation Secretary Ray LaHood announced a program to allow states to tap into \$473.4 million in highway funds earmarked for projects under past appropriations measures but never spent. States had until Oct. 1 of this year to identify projects to designate their share of the funds to, and obligate those funds by Dec. 31.

"These idle earmarks have sat on the shelf as our infrastructure continued to age and our construction workers stood on the sidelines," said LaHood. "These funds need to be put to use now so we can get people back to work."

NEW, MORE PRODUCTIVE DOZERS

Komatsu D61-23 dozers have next-generation hydrostatic transmissions that increase productivity, efficiency

When you have a machine that's already proven reliable, improving on its productive features bears a challenge. To do that, Komatsu went directly to users to gather information it used to design and build its new D61-23 model dozers.

The two new models are the standard EX model with new, longer tracks and the low-ground-pressure PX. While the net 168 horsepower of the new Dash-23 models remains the same as its predecessors, Komatsu increased the operating weight.

"We didn't want to just meet the Tier 4 Interim standards to lower emissions, we wanted to reduce customers' owning and operating costs," noted Bruce Boebel, Komatsu Product Manager, Dozers. "Using the valuable input we gathered from our customers, Komatsu designed the new D61s with features we believe make them the most efficient and productive dozers in their size class."

Among the new features are a next-generation hydrostatic transmission (HST) and engine-control technology that improve fuel economy in both Economy and Power working modes. E mode is intended for general dozing and leveling, while P mode offers maximum engine power for slot and uphill dozing and ripping. Komatsu's exclusive HST control system reduces fuel consumption by up to 10 percent in P mode and up to 20 percent in E mode.

A newly designed power-angle-tilt (PAT) blade provides improved curvature to roll material more efficiently. With the new, standard, adjustable blade pitch, operators can set the aggressiveness of the cutting edge to match the application. A new hydraulic blade-angle toggle switch makes blade operation easier.

Blade visibility improved with a sloped engine-hood design, similar to the popular and

award-winning Komatsu D51. A new roomier, integrated ROPS cab sits forward to put the operator closer to the blade and has large glass windows to enhance visibility.

"Several other improvements include being plug-and-play ready for Topcon GPS technology. The user simply has to bolt on a completing kit and it's ready to use," said Boebel. "That further increases efficiency and reduces wasted movement and materials in grading applications. The D61s also work well for land clearing and forestry, so they're versatile machines that fit well into nearly any fleet." ■



Bruce Boebel, Komatsu Product Manager, Dozers

Brief Specs on the Komatsu D61-23 Dozer				
Model	Operating Weight	Net Horsepower	Blade Capacity	
D61EX-23	39,099 lbs.	168 hp	4.5 cu. yds.	
D61PX-23	41,138 lbs.	168 hp	5.1 cu. yds.	

Komatsu's new D61-23 dozers have several new productive and efficient features, including a next-generation hydrostatic transmission that provides up to 20-percent fuel savings, depending on working mode and application.



WA500-7

From Komatsu - The Loader Experts



Diesel Particulate Filter exchange. Contact your Komatsu distributor for details.

KOMATSU®



NEW WHEEL LOADER

Large-capacity torque converter improves productivity, reduces fuel consumption in WA470-7

Wheel loader users want a machine that not only provides maximum fuel savings, but does so with the power and productivity needed for a variety of applications. Komatsu's new WA470-7 has those attributes in a redesigned model that meets the Tier 4 Interim regulations.

"The new WA470-7 is great for a wide variety of work, including quarry and construction applications," said Product Manager Armando Najera. "Its predecessor, the WA470-6, was a proven performer, and the Dash-7 maintains its production with up to 8-percent better fuel efficiency and operator productivity features."

The WA470-7 features a newly designed powertrain that has a large-capacity torque converter with lock-up. This provides improved acceleration for faster hill-climb ability and higher ground speeds (up to 23.8 miles per hour) in load-and-carry applications. The torque converter increases tractive effort for greater productivity in V-cycle applications.

Komatsu Smart Loader Logic, which functions automatically, provides optimal engine torque in all applications. It decreases engine torque when the loader isn't working hard, providing increased fuel savings.

Better visibility

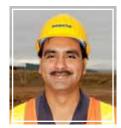
Komatsu created a quieter, more comfortable cab with better visibility by lowering the front glass and redesigning the dashboard. The seat-mounted right-hand console now has electronic pilot control levers and a forward-neutral-reverse switch.

Operators can modify settings to their individual needs, check operational records and find tips to reduce fuel consumption with Eco Guidance on the new high-resolution monitor.

For added safety, a backup camera is standard, providing a view behind the loader.

Komatsu backs the WA470-7 with its exclusive Komatsu CARE program, which helps lower owning and operating costs. Komastu CARE includes complimentary scheduled maintenance for three years or 2,000 hours and two Komatsu diesel particulate filter exchanges at 4,500 and 9,000 hours within the first five years.

"Factory-certified technicians do the work, using genuine Komatsu parts and fluids, including the two filter exchanges," explained Najera. "It's another Komatsu commitment to lowering owning and operating costs."



Armando Najera, Product Manager

Brief Specs on the Komatsu WA470-7				
Model	Net Horsepower	Operating Weight	Bucket Capacity	
WA470-7	272 hp	52,007 lbs.	5.0-6.8 cu. yds.	

The new WA470-7 maintains horsepower but lowers fuel consumption, compared to the previous model. Additionally, a large-capacity torque converter provides greater tractive effort for increased productivity in V-cycle applications.



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MAXIMIZING FUEL ECONOMY

Under most conditions, using E mode is your best option

When digging and dozing in hard materials, you need all the power your machinery can give you. If you're not in those heavy ground conditions and continue to use full power, it's likely you're wasting fuel and putting undue wear and tear on your equipment.

"We've tracked hundreds of thousands of machines since KOMTRAX was introduced, and our data show that in most instances, full power is unnecessary," said Rizwan Mirza, Manager, KOMTRAX. "Fortunately, KOMTRAX indicates whether it's necessary or not, right on a monitor in the cab."

Nearly all Komatsu equipment comes with several mode-setting options, including Power, or P mode, and Economy or E mode, which are the two most commonly used. P mode provides maximum power output, while E mode is for applications in general working conditions and provides maximum fuel efficiency.

When conditions require full power for an extended period of time, the P mode is most appropriate. For excavators, dozers and wheel loaders, that may be working in hard materials or climbing uphill. For excavators, it may also mean deep digging applications.

"The default monitor screen shows operators the work load so they can easily see if they are maximizing efficiency," said Goran Zeravica, Manager, Distributor Operations. "If the Eco gauge is in the green range, then the E mode is appropriate. If the gauge moves into the upper, orange section, it's time to switch to Power mode. Switching is as simple as pushing the button labeled P/E."

"No matter which mode operators select, there may be times a short boost in power is necessary for a particularly difficult area," Mirza added. "Depending on the machine, an operator can

simply press and hold a button on the joystick control to get an instant, 10-percent power increase."

Zeravica spends a great deal of time talking one-on-one with equipment owners and operators throughout North America. He educates them on ways to save fuel.

"One fleet manager told me that he changed all his machines to default to E mode," Zeravica recalled. "That made sure they were in the most efficient setting to start the day, no matter what mode was set the last time the machine was in operation. Soon, the operators were checking to make sure E mode was set before they left for the day. The result was less unnecessary time in Power mode and significant fuel savings."



Rizwan Mirza, Manager, KOMTRAX, ICT Business Division



Goran Zeravica, Manager, Distributor Operations, ICT Business Division



An Eco gauge displayed on the machine monitor shows whether operating in Power or Economy mode is most fuel-efficient.



MORE COST-EFFECTIVE GRADING

Komatsu's IMC team highlights benefits of machine, Topcon GPS combinations



Mike Salyers, Product Marketing Manager, IMC



Ron Schwieters, Product Marketing Manager, IMC

Today's construction marketplace is increasingly competitive, often with more contractors bidding on a project than ever before. Finding a way to make businesses more competitive is essential, and Komatsu continues doing that with initiatives such as its new Intelligent Machine Control (IMC) team.

Komatsu's commitment to IMC represents a major investment of resources. The team provides Komatsu distributors and their customers with support for machine technology, such as Topcon GPS grading systems, which have proven to get to grade faster and at a lower cost. Topcon GPS systems interface directly with the machine's hydraulics, providing precise metering of oil flow to the hydraulics for more exact blade positioning during cut-and-fill and fine-grading operations.

Dozer models, including the Tier 4 Interim D65-17, come "plug-and-play" ready for Topcon GPS systems that help operators get to grade faster than a manual dozer.



"Customers told us they wanted equipment that's 'plug-and-play' ready to accept a Topcon system," said Komatsu Product Marketing Manager Ron Schwieters. "They understand the added value a GPS system brings in terms of more efficient and accurate grading. Our new Tier 4 Interim D65-17 and D61-23 dozer models are equipped so the user can hook up a Topcon GPS system and be running within hours. Older machines can also be retrofitted for Topcon systems."

Mike Salyers, another Komatsu Product Marketing Manager, said there are several ways Topcon GPS systems provide cost savings. "Grade staking is virtually eliminated because the systems can determine where the machine is in relation to final elevation. That means there's no need for a laborer to constantly check grade. If it's a cut operation, fewer passes to grade saves fuel and reduces wear on the machine. On the flip side, the chance for overfilling is reduced, so there's less waste."

IMC team members say a Komatsu machine with a Topcon GPS system benefits businesses of all sizes. "Users of these systems tell us they see a return on investment very quickly, usually within the first year, and sometimes on the first job where they use it."

"Every company bidding on a project starts from the same point in terms of materials to be moved," added Salyers. "Being competitive involves several factors, including getting to final grade faster. We've found that can often be achieved using Komatsu equipment with a Topcon grading system."

For more information, contact Mike (msalyers@komatsuna.com) or Ron (rschwieters@komatsuna.com) at the IMC team at Komatsu America. ■

ARTICULATED TRUCKS

From Komatsu – The Truck Experts



The redesigned Tier 4 Interim Articulated Trucks will boost your productivity and lower your costs. From increased payload to improved traction control, the truck experts at Komatsu once again deliver on your need for a lower cost per ton moved.

- Komatsu Traction Control System (K-TCS) automatically increases performance in soft ground conditions.
- · New operator's cab provides better visibility and ergonomics.
- Efficient Tier 4 Interim engine provides up to an 8% reduction in fuel consumption.
- Komatsu CARE provides complimentary Tier 4 maintenance, including KDPF exchange filters. Contact your Komatsu distributor for details.





Customer Care

From Komatsu - The Product Support Experts



You need your machines running to keep your business running. And you need complete confidence in your expert service team to keep them running at maximum productivity.

Komatsu certified, factory-trained technicians have the knowledge and determination to make repairs right the first time. Our parts inventory and distribution systems allow us to get most replacement parts to you in 24 hours or less.

At Komatsu, customer satisfaction is our number-one priority.

KOMATSU®



GREATER PARTS EFFICIENCY

Training from Komatsu helps parts personnel respond more quickly to customer inquiries

When you need parts, whether for a scheduled service or a machine that's down, two important factors are on your mind: are they available, and how fast can I get them? You want the person you are dealing with to give you both answers quickly.

"Our goal at Komatsu is to take care of the customer as efficiently as possible," said Glenn Schindelar, Senior Marketing Manager. "Our distributors' parts and product support personnel have a good base of experience. We build on that by providing educational opportunities to help them better understand our products and procedures, which allow them to quickly and accurately identify parts and their supply status."

Komatsu offers intensive training courses at its Cartersville, Ga., Training and Demonstration Center. Through regularly scheduled, week-long sessions, the company holds as many as 58 classes. Topics include Komatsu Parts Systems, KOMTRAX, Undercarriage Maintenance Management and more. Komatsu offers basic and advanced courses for some subjects, with ample hands-on training.

"We believe it's not enough to just sit in a classroom," Schindelar noted, adding that many distributors choose to send product support reps and service technicians. "We provide real-world opportunities to touch and operate machines and understand how systems work and wear. Komatsu personnel lead both classroom and hands-on training, utilizing experts in the field rather than using outside training resources. That's important, because if participants have a question or issues later on, they can contact their Komatsu trainer for support."

Schindelar added that the training sessions provide another good resource for distributor

personnel. "During the time there, they can network with the staff and their counterparts from other distributors. It allows them to exchange ideas and personal contact information. We believe that's a great benefit that's paid dividends through the years."

Komatsu began offering the training in 2004, and since then, more than 2,000 people have attended the sessions. Those who accumulate 100 hours or more are certified Product Support Professionals. "It takes dedication to learning to achieve this certification. An individual must attend at least three, week-long sessions to achieve the 100 hours," Schindelar explained. "This is an exclusive and highly regarded designation. It shows a commitment by the person attending as well as by the distributor that makes the financial investment to send personnel."



Glenn Schindelar, Senior Marketing Manager

When customers call for parts, they want answers as to availability and delivery time. Komatsu provides many hours of training so distributors' parts personnel can answer those questions quickly and accurately.



MAXIMIZING UPTIME

Vice President, Service, says Komatsu is committed to providing unrivaled, quality service



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.

Hiro Higashiyanagi, Vice President, Service

In April of this year, Hiro Higashiyanagi became Vice President, Service, responsible for overall service activity throughout North America and for mining trucks globally. Higashiyanagi, who brought with him more than three decades of experience with Komatsu, believes service is just one aspect of Komatsu's overall commitment to customer satisfaction.

"Service is not a stand-alone entity," emphasized Higashiyanagi. "We work closely with manufacturing, sales, parts, training and other areas. Each of us is integral to the total picture. For example, service has to stay up-to-date on the latest product developments and any new parts that may be involved so we can support those machines. Technician training is a commitment we make to meet those needs. The ultimate goal of this integration is to make customers more efficient, productive and profitable."

Higashiyanagi has been working to achieve that since he started with Komatsu 36 years ago. He's always been involved in service, traveling around the globe in various positions. He's worked in Russia, Australia and South Africa, among other locations.

"When customers' equipment is down for any reason, it costs them time and money," he said. "That's true everywhere. I enjoy working with customers to understand their businesses and learn how Komatsu can better meet their needs from a service standpoint to help maximize their uptime."

Higashiyanagi is an avid golfer. He and his wife, Akiko, have been married for 29 years and have two children.

QUESTION: What are Komatsu's strengths when it comes to service?

ANSWER: One is providing outstanding and unrivaled, quality service to each and every customer, whether that customer owns a single machine or a fleet of large mining equipment. Our goal is to provide all our customers with the value they expect from their Komatsu equipment. That means remaining productive and efficient throughout the machines' lifetime. We're making that happen with programs such as Komatsu CARE, which provides complimentary scheduled maintenance on Tier 4 Interim machines, including Komatsu Diesel Particulate Filter changes.

Another is our strong and long-term relationship with our distributors. Programs such as Komatsu CARE wouldn't be possible without the skilled technicians at our distributor locations. Komatsu provides factory-certified training that keeps our technicians up to date with the latest technology. This helps our distributors maintain quick, responsive service that keeps our customer's machines up and running. This is our commitment to our customers.

Finally, we believe Komatsu has a technological edge. With our KOMTRAX system, Komatsu and its distributors can monitor machines 24 hours a day, seven days a week and know when to schedule maintenance and ensure it's done on time. We take a very proactive approach.

QUESTION: How is the Komatsu CARE program working?

ANSWER: At nearly 100 percent, our success rate in servicing machines eligible under the Komatsu CARE program is extraordinary. Our customers are delighted because they know the

services are done correctly and completed at the right time. It keeps their machines running at maximum productivity and maximizes availability, which results in greater customer profitability. A proven track record of scheduled maintenance through Komatsu CARE is another benefit; as it increases the residual value of the machine by providing the new owner with all the service records for the life of the machine.

QUESTION: Besides Komatsu CARE, how else does Komatsu distinguish itself when it comes to service?

ANSWER: Komatsu believes in building solid relationships with our customers, and we like to meet with them face-to-face every chance we get. We want to be there for customers from the time they purchase a machine to when they sell or trade it, and we want to help them meet their objectives. Our customers provide us with valuable feedback that allows us to build better equipment and continue to improve parts and service capabilities.

QUESTION: How do you measure success from a service standpoint?

ANSWER: Customer retention. Service is responsible for customer satisfaction after the sale. We're dedicated to maintaining our customers' machinery so it continues to provide them availability, productivity and efficiency. Doing so involves working with customers to understand their specific operations and the challenges they face. Komatsu and our distributors want to partner with them to jointly develop solutions to manage and minimize those challenges. Having parts readily available if they do their own maintenance and providing service through a maintenance agreement are just two examples. We follow up extensively and conduct satisfaction surveys to help us see our strengths and identify areas of improvement.

QUESTION: Are you working on anything new?

ANSWER: Similar to our product lines, we're always striving to improve service. Expanding the Komatsu CARE program is one area on which we're working. Giving customers a menu of options to choose from when it comes to maintenance is also something we're pursuing.



Komatsu technicians are skilled in working on all types of machinery, from tight-tail-swing excavators to the largest mining equipment.



Innovations such as KOMTRAX allow Komatsu and its distributors to track machines and schedule on-site service at a time and location convenient to the customer.



Extensive training helps Komatsu distributor technicians quickly diagnose and fix issues, as well as provide scheduled maintenance, such as fluid and filter changes.



CBO report looks at infrastructure bank potential

A study from the Congressional Budget Office highlights the potential advantages and disadvantages of a federal infrastructure bank, which Congress has proposed several times. The bank "would select new, locally proposed construction projects for funding on the basis of a number of criteria, including their costs and benefits, and would provide financing for the project through loans and loan guarantees," according to the CBO.

It further stated that to repay the loans, projects financed through the infrastructure bank would have to include tolls, taxes or other dedicated revenue streams. An advantage of the bank is that it could encourage sponsors of the projects to charge users for the benefits they receive, said the CBO. A disadvantage is that it would not differ substantially from the loans and loan guarantees already offered by the Department of Transportation through its TIFIA program. The full report can be found on the CBO's Web site at www.cbo.gov.

DOT awards \$500 million in TIGER grants

The Department of Transportation has awarded \$500 million in TIGER (Transportation Investment Generating Economic Recovery) grants in 2012, with 35 percent of funds going toward highway and bridge projects. Forty-seven recipients from 34 states and the District of Columbia received grants.

This year's grant recipients were selected from more than 700 applicants that submitted requests for projects totaling \$10.2 billion. These grants bring the total spending under the TIGER program to more than \$3 billion since it was established as part of the 2009 Recovery Act. ■

CONEXPO exhibit space sales on record pace

Although it's still more than a year until CONEXPO-CON/AGG, sales for exhibit space are at a record pace, according to the show's organizer. The triennial event, which showcases the latest in equipment innovation, is to be held March 4-8, 2014, at the Last Vegas Convention Center. It is co-located with the International Fluid Power Exposition.

"Attendees will find the newest product innovations to help them work smarter. From large companies to specialized businesses, from North America and around the world, it will all be here," said Megan Tanel, CONEXPO-CON/AGG Show Director and Association of Equipment Manufacturers VP Exhibitions and Exhibits.

BLS anticipates rise in construction employment

A report from the U.S. Bureau of Labor Statistics (BLS) says the need for construction workers will increase by 33 percent with an anticipated boom in construction expected to create 1.8 million jobs by 2020. All sectors of the construction industry will contribute, but the report pointed out that construction employment, which lost 2.2 million jobs from 2006 to 2010, won't return to prerecession levels by 2020.

A 4-percent increase in the category of Mining, Quarrying, Oil & Gas is expected, with nonmetallic mineral mining and quarrying accounting for nearly all job growth. Coal and metal ore are expected to decrease, with the fall attributed mainly to technology gains that boost productivity. The report can be seen at bls.gov/ooh/About/Projections-Overview.htm.

COMPLIMENTARY TIER 4 SERVICES



Komatsu CARE for Komatsu Tier 4 Interim models is a new, complimentary maintenance program designed to lower your cost of ownership and improve your bottom line. It provides factory-scheduled maintenance on the machines for the first three years or 2,000 hours, whichever comes first. This includes up to two exchange Komatsu Diesel Particulate Filters. Be sure to contact your Komatsu distributor for all the details.

Once again, Komatsu leads the industry. No other construction equipment manufacturer offers a complimentary maintenance program like this.

It's what you've come to expect from the service experts at Komatsu.





On the light side







Brain Teasers

Unscramble the letters to reveal some common construction-related words. Answers can be found in the online edition of the magazine at www.CECPushingAhead.com

- 1. T P E H D ____ P ___ 2. S E T A H U X ___ A ___ _ 3. L V E A V ___ _ E
- 4. WILRAFO _____<u>L</u>__

Did you know...

- Abraham Lincoln, who invented a hydraulic device for lifting ships over shoals, was the only U.S. president ever granted a patent.
- Antarctica is the only continent without reptiles or snakes.
- Baskin Robbins once made ketchup ice cream. This was the only vegetable flavored ice cream produced.
- The only active diamond mine in the United States is in Arkansas.
- Hawaii has the only royal palace in the United States - Iolani.
- Bats are the only mammal that can fly.
- Maine is the only state in the United States whose name is just one syllable.
- The only river that flows both north and south of the equator is the Congo. It crosses the equator twice.
- The number 4 is the only number in the English language that has the same number of letters in its name as its meaning.

DASH 10 EXCAVATORS

From Komatsu - The Excavator Experts



Komatsu Dash 10 excavators provide increased horsepower, improved operator comfort and reduced fuel consumption. The excavator experts at Komatsu can help you complete jobs more quickly, while lowering your fuel and maintenance costs.

- Efficient Komatsu Tier 4 Interim engines and advanced hydraulic systems maximize productivity while providing up to 10% lower fuel consumption.
- Enhanced operator environment improves comfort and machine control.
- Komatsu CARE provides complimentary Tier 4 maintenance, including KDPF exchange filters. Contact your Komatsu distributor for details.





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