

PUSHING AHEAD

A PUBLICATION FOR AND ABOUT CLAIREMONT EQUIPMENT CUSTOMERS • 2007 NO. 4



A MESSAGE FROM THE PRESIDENT



Ronald Zagami



RELIABLE EQUIPMENT

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Dear Equipment User:

As 2007 draws to a close, it's clear that the year was a challenging one for many segments of the construction economy. The slowdown in housing, while not unexpected, was a drag on what had been a remarkable industry run from 2002 to 2006.

While nobody has a crystal ball that can tell us what the future holds, most forecasters are projecting that the worst is over, and that housing starts should stabilize next year and perhaps even increase slightly. That would certainly be good news and, when combined with still-strong nonresidential building and public construction, would return the industry to a relatively healthy condition.

All of us in the equipment industry, and certainly all of us at Clairemont Equipment Company, hope that's the case, just as you do. In the words of a former U.S. president, "we feel your pain" — literally. Because machine sales are tied directly to your work load, we're just as anxious as you are to see an up-tick next year.

In slower times, it's even more important than ever to have productive, reliable equipment that works for you every day. One way to improve the likelihood that your equipment will perform as expected, day-in and day-out, is to let us do a preventive maintenance inspection (PMI) on each machine in your fleet. We'll thoroughly check all working parts and components to make sure they're doing what they're supposed to be doing and that there are no issues cropping up that may lead to potentially costly repairs, or worse yet, shut you down during a busy job.

To schedule such an inspection, or to learn what else we can do to help you get the most out of your existing equipment fleet, feel free to contact your Clairemont product support representative or our service department. We'll be happy to assist you in any way we can.

Sincerely,
CLAIREMONT EQUIPMENT COMPANY

Ronald Zag President

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CONEXPO COMING SOON

Industry event will be the largest ever with more than 2 million square feet of exhibit space

If you've ever been to CONEXPO-CON/AGG you know the size and scope of the show is massive. If you haven't been before and are going this time around, you're in for a huge treat that features more types of equipment, educational opportunities and technology than you can possibly imagine in one location.

The largest show of its kind in the construction industry, the next CONEXPO-CON/AGG will be held March 11-15, 2008, at the Las Vegas Convention Center, the largest such facility in the world. You can get information on the event and register for it online at www.conexpoconagg.com. You can also map out your visit ahead of time using the show's Virtual Trade Show, which includes an interactive floor plan of exhibits, as well as make a personalized list of companies and products you may want to see.

CONEXPO is the largest show of its kind in the construction industry. Held inside and outside the Las Vegas Convention Center every three years, the 2008 show, to be held March 11-15, will have more than 2 million square feet of exhibit space.



"We are proud to be known as a show run by and for the construction industries, and our primary goal is to create a positive show experience for all attendees and exhibitors," said CONEXPO-CON/AGG Director Megan Tanel. "The show continues to grow, but we really don't want the show just to be about being the biggest in the industry. We want attendees to see that the show is a place to find information, education and solutions to issues they may face in their businesses. It's a place to bring the user, the owner, the distributor and manufacturer together in one place where they can all work together."

Every three years when CONEXPO rolls around, the show is bigger than the last, and 2008 will be no exception as the triennial event features more exhibit space than ever before. For the first time ever, the show will top 2 million square feet, breaking 2005's record-setting mark of 1.88 million. More than 2,000 exhibits from leading manufacturers, such as Komatsu, and service providers will display wares, with more than 125,000 industry professionals expected to be on hand.

Komatsu will display 24 products, including several new Dash-8 excavator and Dash-6 wheel loader models which feature ecot3 Tier 3 engines that offer more productivity with less fuel consumption and lower emissions. Also in its 30,000 square feet of display area will be dozers, motor graders, trucks, compact track loaders, backhoe loaders and skid steer loaders.

Products grouped together

Event organizers are grouping similar products and companies together, making it easier to navigate your way around the show. For instance, if you're interested in

earthmoving equipment it can all be found in the North Hall, part of the Central Hall, the Riviera Pavilion and the Gold, Blue and Riviera lots outside the convention center.

If your interests lie in other types of equipment, there are product concentration areas for lifting equipment, asphalt paving and production, concrete paving and production, aggregate processing and heavy-duty trucks and mixers. Other sub-specialties such as engines, hydraulics, lubricants, tires and components have their designated areas as well.

Information stands will be set up throughout the show, and interactive product locators, searchable by company and product, will be on the show floor. These will also have information regarding seminars and meetings. Other show services will include an expanded, free, shuttle system to transport visitors from hotels to and from the convention center, and an intra-show shuttle-bus system.

Several new items on the agenda

Attendees may be directed to several new items on the expo's massive list of things to see and do, including the free educational program "Best Practices for Small Fleet Management" to be held on March 15. The program will provide practical solutions for fleet management needs of small business owners specializing in commercial, industrial and public construction. Topics include budgeting and staffing, productivity and work scheduling, among others.

Other new features are an International Driver Mixer Championship, the first ever international competition of concrete mixer truck drivers; an IPAF Safety Zone that features live demonstrations and safety education; and "Construction Challenge," a competition with students competing in three challenges related to the construction industry.

"We're very excited about the new features, and we believe that attendees will find them informative and helpful," said Tanel. "The Construction Challenge is one area we're particularly looking forward to as it showcases young people involved in the construction



Komatsu always has one of the largest displays at CONEXPO. Twenty-four products will be available for attendees to check out at the 2008 event.



CONEXPO is more than just an equipment showcase. Attendees can learn more about the construction industry through educational programs in such areas as aggregates, asphalt, project management, equipment management, personal development and safety.

industry. We see this as a way to generate interest among youth and highlight for them the careers available in construction."

An Innovation and Solutions Center will also be new. Experts in the field will be presenting sessions that highlight research and developments in Fluid Power Solutions, Green Solutions, Motion Control Solutions Now and in the Future, and Innovative Applications in the Entertainment Industry.

Educational opportunities abound

While CONEXPO continues to add new items, one thing that hasn't changed from previous expositions is the chance to take

Educational opportunities abound at CONEXPO

continue

in some educational opportunities that will benefit you and your business. There are 10 seminar tracks organized by specific industries and issues: aggregates, asphalt, concrete, construction project management, earthmoving, environmental/recycling, equipment management, management, personal development and safety. Sessions are 90 minutes in length and include materials you can take with you for future reference.

Seminars in the earthmoving category include Introduction to Adopting Positioning Technology for Construction; Paydirt: Mass Excavating Alternatives for Mass Profit; Introduction to Design Data & Earthmoving Construction Projects; Costs to Own & Operate Heavy Equipment; and The Amazingly Versatile Backhoe.

Equipment management educational opportunities include An Introduction to Biodiesel Fuel, Equipment Management: Taking it to the Next Level; Getting the Most Out of Your Equipment at Disposal; Are Fuel Costs Cutting Into Your Profits?; The Equipment Triangle View of Asset Management Best Practices for Fleet Management; and Realizing Cost Return (or Cost Savings) Through Effective Oil Analysis. For more details on these and other educational opportunities, you can visit the CONEXPO-CON/AGG Web site.

Attendees at the last CONEXPO got up close to machinery and looked at the inner workings of equipment such as Komatsu's ecot3, Tier 3 engines, now standard in numerous machines.



"The educational opportunities are a great way for attendees to learn new and creative ways to help increase their productivity, lower costs and become better at what they do," said Tanel. "Because the show is so large, it's not always feasible to attend every seminar. We're working this year on ways to bring the seminars to the attendee by putting them live on cable through the hotels, over the Internet and by podcast."

A great partnership

Industry certification courses and exams are offered, including a Certified Equipment Manager Exam and Study Course of the Association of Equipment Management Professionals, and Crane Operator Certification Examinations of the National Commission for the Certification of Crane Operators.

CONEXPO is produced and sponsored by the Association of Equipment Manufacturers, the National Stone, Sand & Gravel Association, the National Ready Mix Concrete Association, and the Associated General Contractors of America.

"The success of CONEXPO-CON/AGG has always been because of the partnership of these organizations," Tanel noted. "Several of them hold their annual meetings during CONEXPO. They are all committed to helping everyone involved in the construction industry succeed. That's why each has a strong commitment to making the show as informative and insightful as possible."

Tanel pointed out that the ultimate goal for those attending the 2008 CONEXPO is to take away something that they can use in their business to make it better.

"The show is really about ways to highlight the industry and what it can do to help businesses and individuals be more successful," she said. "We hope they find solutions to everyday challenges, make contacts and learn more about the industry in general. We want them to go home seeing that the show had value to them and looking forward to coming back in 2011 to find something else that will help them."

INFRASTRUCTURE IN NEED

Minneapolis bridge collapse brings heightened awareness of funding crisis

The tragic collapse of the I-35W bridge in Minneapolis has focused national attention on our nation's massive highway and bridge construction funding shortfall. Following the initial shock and chaos, it only took the media a few hours to hone in on infrastructure investment as a major storyline. The fact that 25 percent of all bridges nationwide are "structurally deficient" or "functionally obsolete" seemed to attract particular attention.

Officials in Washington were quick in responding to the tragedy:

- The House and Senate quickly passed, and the President signed, H.R. 3311, which authorizes \$250 million for reconstruction of the I-35W bridge and \$5 million in transit assistance for traffic problems occurring around the disaster site.
- House Transportation and Infrastructure Committee (T & I) Chairman Jim Oberstar, D-Minn., proposed legislation to establish a trust fund, modeled after the Highway Trust Fund, to provide a dedicated source of revenue for the repair, rehabilitation, and replacement of those bridges deemed "structurally deficient" by the Federal Highway Administration. Oberstar has advocated increasing the gas tax to help finance the plan.
- The Senate passed S. 775 to establish a commission to study the state of American infrastructure.
- Both the House and Senate announced plans for oversight hearings on structurally deficient bridges.
- In a welcome display of bipartisanship, Rep. Don Young, R-Ark., former chairman of the House T & I Committee, agreed with Rep.

Oberstar that the gas tax should be increased to pay for repairs to crumbling bridges and infrastructure. Florida Rep. John Mica, the T & I Committee's senior Republican member, said he believed transportation funding has been overly focused on new construction and has neglected maintenance.

Unfortunately, despite obvious needs, President Bush has restated his opposition to a gas tax user fee increase to provide additional funding for road and bridge investment.

For AED's part, we hope that the Minnesota tragedy won't be in vain and that our leaders will recognize this for what it is: further and dramatic proof of an infrastructure crisis that threatens our global competitiveness and, as we have seen, the safety of our fellow countrymen.



Christian A. Klein

This Guest Opinion, which first appeared in the newsletter, Washington Insights, was prepared by Christian Klein, Vice President of Government Affairs for the Associated Equipment Distributors.

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Thirteen people died and about 100 were injured when the I-35W bridge over the Mississippi River collapsed in Minneapolis. Industry officials say the tragedy is dramatic proof of an "infrastructure crisis" in the U.S.

AP Photo



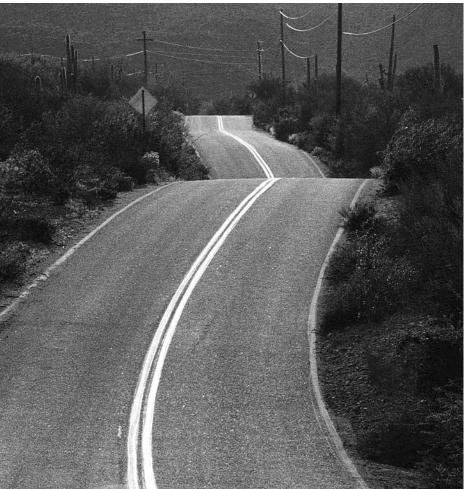
FOCUS ON PAVEMENTS

Federal Highway Administration seeks paving improvements

To learn more about FHWA and its pavement programs, visit the agency Web site at www.fhwa.dot.gov/pavement. In an effort to improve the nation's highways, The Federal Highway Administration (FHWA) is spearheading a nationwide pavement assessment, which will be followed up with a "best practices" approach that addresses specific roadway issues.

According to FOCUS Newsletter, a publication of the U.S. Department of

Improving construction, maintenance and preservation of the nation's pavement network is the goal of a new effort by the Federal Highway Administration (FHWA). New initiatives to achieve higher performance objectives could be in place in as soon as three years.



Transportation, FHWA will work with states and other partners on the assessment and best practices report, which will have six focus areas. They are:

- Pavement design and analysis;
- Pavement materials and construction technology;
- Pavement management and preservation;
- Pavement surface characteristics;
- Construction and materials quality assurance;
- Environmental stewardship.

The six focus areas will guide FHWA's Research and Development efforts, as well as Technical Service Teams whose job it is to employ the new technologies.

Higher performance objectives

The focus areas are designed to guide FHWA in developing technologies that will improve the construction, preservation and maintenance of the nation's pavement network.

"States are having to do more with less," Peter Stephanos, Director of FHWA's office of Pavement Technology, told FOCUS. "We want to work with them to introduce tools and technologies to make their job easier. We also need to strive to develop a more effective partnership with state and local agencies, industry and academia."

FHWA will issue annual reports on this pavement and materials program, and hopes to begin implementing new initiatives to achieve higher performance objectives during the next three to five years.

REDISCOVER THE PC270LC-8

Field tests demonstrate how Komatsu's new excavator delivers superior performance

If you're an equipment user in the market for a 28- to 33-ton excavator, the newly designed and upgraded Komatsu PC270LC-8 needs to be at the top of your "check-it-out" list.

"We've believed for some time that we had a very competitive machine in this size class," said Komatsu Excavator Senior Product Manager Peter Robson. "Compared to the other leading brands, we suspected that we were better in terms of fuel consumption, and that everything else was fairly similar. But in taking another look at the machine, we concluded that by increasing counterweight mass, the PC270LC-8 would not just be competitive or a little bit better than the competition, but would be much better. So that's what we did."

As part of a running design change, Komatsu increased counterweight mass on the PC270LC-8 by 17 percent compared to the PC270LC-7.

"The change was remarkable," said Komatsu Excavator Product Manager Trenton Glore. "With the additional counterweight, lift capacity increased significantly. Just as important, if not more so, machine stability improved dramatically. It gives the new unit a much better 'firm footedness.' With that solid base, operators are more comfortable digging and loading at a faster speed, and in more difficult material, so productivity is now much improved."

Field tests confirm PC270LC-8 superiority

How much improved? To find out, Komatsu put the machine to a field test against two top competitors. Here's what they found.

In a trenching test, the Komatsu PC270LC-8 averaged 216 feet per hour, compared to 196

feet and 192 feet for the competitive units. That's 9 percent better than one machine and 11 percent better than the other. "More than 20 feet per hour adds up quickly over the course of a day, a week, a month or a year of trenching," pointed out Glore.

"The difference between machines was even more pronounced when we included the amount of fuel required to do the work," he continued. "In terms of fuel efficiency (which measures how many feet of trench are being dug per gallon of gas), the Komatsu PC270LC-8 was 9 percent better than one of the competitors, and a whopping 17 percent better than the other."





Peter Robson, Senior Product Manager



Trenton Glore, Product Manager

In a recent trenching field test, the new Komatsu PC270LC-8 dug more trench per hour and was significantly more fuel-efficient than two top competitive machines.

Continued . . .



Tests confirm outstanding fuel efficiency for PC270LC-8

... continued

For more information on how the Komatsu PC270LC-8 can be a valuable addition to your excavator fleet, contact your sales representative or our branch location nearest you.

The result was similar in a truck-loading test. An analysis of cycle times showed the PC270LC-8 took slightly more than 14.5 seconds to load, swing, dump and return. One competitor's cycle time was about a half second slower, while the other was more than a full second slower. And not only did the Komatsu unit load trucks faster, it was also more fuel-efficient, moving 7 percent to 10 percent more cubic yards of material per gallon of fuel.

Fuel efficient

According to Komatsu, the PC270LC-8's impressive fuel consumption and efficiency figures (roughly 10 percent better than the previous model and about 11 percent better than

Truck-Loading Test				
Model	Cycle time	Fuel Efficiency		
Komatsu PC270LC-8	14.54 sec.	66.6 cu. yd./gallon		
Competitor	14.97 sec.	60.0 cu. yd./gallon		
Competitor	15.59 sec.	62.0 cu. yd./gallon		

		Brief Specs on Komatsu PC270LC-8				
Model Ho		Horsepower	Operating weight	Blade capacity		
	PC270LC-8	187 hp (net)	65,336-67,393 lbs.	0.76-2.13 cu. yd.		

The Komatsu-sponsored field test also showed a truck-loading advantage (faster cycle time and up to 10 percent more fuel efficient) for the PC270LC-8 compared to two competitive models.



the competition) are achieved by total control of the engine, hydraulic and electronic systems.

"Each component and machine system was designed, engineered and manufactured to complement the other components and systems to achieve maximum performance," said Robson. "The way they work together is one of the primary factors in the fuel efficiency we've been able to achieve with the PC270LC-8."

Other factors include the overall efficiency of Komatsu's Tier 3 engine, combined with options and reporting tools that allow an operator to significantly lessen the amount of fuel being used to achieve the same amount of work. These include an economy (E) work mode; an "eco-gauge" that displays to the operator whether he's operating efficiently or wastefully; and an "idling caution" display that alerts the operator when he's been idling for five minutes or more (extended idling is considered to be an unnecessary and wasteful use of fuel).

Design features

In addition to overall performance and fuel efficiency, the new PC270LC-8 has numerous other features designed to improve productivity, including:

- Work equipment structures with large castings;
- Boom and arm plates thicker than the competition;
- Easy-to-access service and maintenance points;
- A quieter, more comfortable cab that's the largest among top competitors and loaded with user-friendly technology;
- KOMTRAX, Komatsu's FREE wireless monitoring system, as standard equipment.

Demo will prove its worth

"Obviously, we believe the PC270LC-8 is a superior excavator," said Robson. "Our hope is that equipment users who are in the market for this size of excavator will demo the PC270LC-8 against any comparable machine. If they do, we're confident they will come to the same conclusion we did — that it's the most productive and efficient machine in its class."



KOMATSU

"Synergy" isn't a word often associated with construction equipment, but it's the perfect word to describe the Komatsu PC600LC-8 and HM300-2 working together... especially when the terrain is less than perfect. Both of these hard-working machines deliver:

- · Rugged, dependable, go-anywhere productivity
- Tier-3 certified engines to meet emissions standards
- · Advanced hydraulics for faster cycle times

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- · Low-effort Proportional Pressure Control (PPC) loader and backhoe joysticks with SAE/ISO pattern changer
- Spacious and ergonomically designed operator platform and exceptional visibility
- Narrow S-shaped backhoe boom and high-performance hydraulics
- Tilting engine hood with easy access to service check and fill points
- Heavy-duty, 1.25-yard loader with parallel lift and over 6½ tons breakout force

When you want the most from your backhoe loader investment, the choice is 100% clear. Put a Komatsu backhoe loader to work today and enjoy the confidence that comes from machines that are...

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"RUGGED AND EFFICIENT"

New landfill dozers reduce cost per yard with Tier 3 engines that push more material with less fuel

With its new landfill dozers, Komatsu combined the best of its standard dozer features — which were designed to provide increased productivity and efficiency — with unique features that make them perfect for the rugged conditions of a landfill operation. New landfill dozer sizes range from the nearly 53,000-pound D65EX-15SL to the 116,528-pound D275AX-5SL.

Like Komatsu's latest line of standard dozers, the landfill dozers are powered by turbocharged, after-cooled, ecot3 Tier 3-compliant diesel engines designed to provide more horsepower with less fuel consumption and lower emissions than previous models. The combination provides the best-ever cost per yard of material moved.

Komatsu engineered each landfill dozer's hydraulics, power train, frame and all other major components in an integrated design that works together for higher production, greater reliability and versatility. Add the factory-installed Landfill Package with guarding specifically designed for harsh landfill conditions, and the result is machines that operate longer for increased production.

"Our landfill dozers start off with standard dozer features — Hydrostatic Steering System, Palm Command Control System, hydraulic-driven radiator fan, wet-disc brakes, Tier 3 engines and others — and have added features, such as gap seal guards, remote A/C and oil cooler and guarding packages, among others, that make them stand out," said Mike Milostan, Komatsu America Product Manager, Working Gear. "They really are purpose-built machines that will benefit landfill operations by providing the productivity those customers need because Komatsu designed them to stand up to the challenges of working in that environment."

Blades on the dozers are larger with integrated trash racks that provide more material capacity without restricting visibility. A semi-U blade is available on all models, while a full-U blade is available on all models except the D65EX-15SL. The landfill counterweight is designed to optimize the machine balance in landfill applications.

Continued . . .

Brief Specs on Komatsu Landfill Dozers					
Model	Operating Weight Net hp		Blade Capacity		
D65EX-15SL	52,097 lbs.*	205	14.8 cu. yds.*		
D85EX-15SL	62,245 lbs.*	240	22.5 cu. yds.**		
D155AX-6SL	96,709 lbs.*	354	33.2 cu. yds.**		
D275AX-5SL	116,528 lbs.**	410	44.3 cu. yds.**		

*With semi-U blade **With full-U blade

Komatsu's new landfill dozers feature Tier 3 engines for greater production and fuel economy. Each model has a factory-installed Landfill Package with guarding specifically designed for harsh landfill conditions.



Unique features stand up to landfill challenges

. . . continued

Komatsu's landfill package includes a large number of unique features built into the dozers to make them stand up in challenging conditions. Among them is a chassis-seal package that helps close the gaps around the chassis where material could enter the engine compartment. Final drive, pivot shaft and idler seal guards help prevent debris from entering oil-seal areas, extending component life.

Extended component life

Extending the component life of the tracks is a priority, so Komatsu landfill dozers use trapezoidal track shoe holes to minimize debris packing. Bolt-on front and rear striker bars help prevent debris from riding up onto the tracks and damaging fenders and chassis. Chassis deflector bars and bolt guards protect and help keep debris away from components as well.

The machines are further protected from debris with additional guarding that's available only on landfill dozers, such as the fuel and hydraulic tank guard. Hinged covers allow easy access for cleaning and maintenance.

Keeping the working parts clean for optimal production is necessary, and Komatsu makes it easier than ever with features such as perforated hood and side doors that increase cooling airflow to the radiator while minimizing the size of airborne particles entering the engine compartment. The

Komatsu engineered
each of its new landfill
dozers with hydraulics,
power train, frame
and all other major
components that work
together in an integrated
design for higher
production, greater



perforated hood reduces air velocity passing through the screens, reducing debris sticking against the screens.

A standard, reversible, hydraulically driven fan is mounted in front of the radiator core so the blades pull air through the core rather than push it, virtually eliminating debris blasting on the core surface and increasing the life of the heat exchangers. Thermally controlled, the fan turns at maximum speed only when maximum cooling is required, reducing the debris collection on the engine inlet screens during normal daily operations.

Computer-controlled forward and reverse intervals clean the radiator regularly, allowing the operator to concentrate on productivity. The computer timer is easily adjusted for varying conditions and also has a manual override switch.

Fine control

A turbine precleaner helps remove particulates from the engine air before they reach the filter elements. Quick-opening, two-piece doors allow easy access to the radiator and fan for cleaning. An engine bottom guard with electric winch simplifies cleaning of the engine compartment. The engine compartment features two fewer items, as Komatsu relocated the hydraulic cooler and fan, as well as the air conditioner condenser. Both were moved to increase cooling efficiency.

Efficiency is enhanced with Komatsu's Torqflow Transmission that offers single-lever control of speed and directional changes. A hydrostatic steering system makes for smooth, quick and powerful control of tracks. Palm-control steering and blade joysticks provide fine control. Operators will also appreciate the hexagonal-designed pressurized cab, which offers greater visibility and comfort. Cab dampen mountings increase ride comfort while decreasing noise and vibration.

"Lock-up torque converters and automatic shifting, available on our D155 and D275 models, make these even more powerful and efficient to operate," pointed out Milostan. "Production is terrific with these machines, and that's really the bottom line."



100% PROVEN

(KOMATSU ELECTRIC DRIVE HAUL TRUCKS)

KOMATSU

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KOMATSU

Komatsu remanufactured products maximize your machine utilization by providing off-the-shelf exchange components. Plus, Komatsu provides you with the following benefits:

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- Remanufactured to Komatsu factory specifications
- Sophisticated inspection and remanufacturing equipment
- 100% functional testing
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FILLING THE GAP

As larger "compact" excavators, Komatsu PC78 models offer many advantages

The Komatsu PC78US-6 and PC78MR-6 series excavators are the largest of the Komatsu utility range but they can hardly be called "compact." These machines weigh in at more than seven and eight metric tons respectively — about the same as a full-size backhoe loader. They feature outstanding performance, superior operator comfort and they fill the product gap between compact and construction-size excavators.

- Two product types allow contractors to choose between a fixed-boom machine (PC78US-6), like a full-size construction excavator, or an offsetting boom unit (PC78MR-6), like a compact excavator.
- A full-featured cab is standard equipment on these models. Every low-noise cab features a spacious operator station with a digital monitor panel, air conditioning, a radio and a suspension seat.
- Hydraulics on the PC78MR-6 and PC78US-6 are of the same pedigree as Komatsu construction excavators. Loadsensing, pilot proportional joystick controls provide low-effort precise control and enable the operator to perform tasks smoothly and productively.
- A choice of three track shoe systems allows contractors to choose what's right for their operations: steel, rubber and Komatsu Road Liner track shoes. The Road Liner track shoes allow the operator to travel on hard surfaces, such as asphalt and concrete, without damaging them like a steel grouser can.
- A great alternative to a backhoe loader, the PC78s offer digging depth, dump height, bucket power, arm power, lifting capacity, better range of motion when working next to an object, and better productivity because

they don't have to be repositioned like a backhoe loader.

Maintenance is easy with a wide-opening engine cover that provides great access to daily checkpoints. The wide-opening side cover provides access to the hydraulic tank, air cleaner and main hydraulic valve. There's also ground-level fueling with a sight gauge. Sealed pins allow Komatsu to extend the lubrication intervals to 100 hours on the arm tip and 250 hours on the arm, boom, and swing pins, rather than the daily or weekly lubrication required of some other brands. ■

For more information on the PC78 compact excavator, contact your sales representative, or call our nearest branch location.

Brief Specs on Komatsu PC78 compact excavators						
Model	Power	Dig Depth	Dump Ht.	Bkt. Force	Arm Force	Operating Wt.
PC78MR-6	54 hp	15'7"	15'8"	13,780 lbs.	9,330 lbs.	18,230 lbs.
PC78US-6	54 hp	15'5"	18'0"	13,780 lbs.	9,330 lbs.	15,850 lbs.

Komatsu engineered its larger, PC78 compact excavator models to fill the gap between compact and construction-size excavators.





REMANUFACTURED PRODUCTS

General Manager says ISO certification of Komatsu reman plant ensures product quality



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.

Rob Shear, General Manager, Komatsu Remanufactured Products

As the son of a financial controller for the Department of the Army, Rob Shear grew up in many places. Born at Fort Leonard Wood in Missouri, Rob and his family moved to Korea for a time, then to Virginia, then to Oklahoma for his high school years. Following high school, Rob earned a spot at the U.S. Military Academy at West Point, and after graduation, spent time in the Army leading a tank platoon.

After his army service, Rob went into manufacturing. While working for Cardinal Health as a plant manager, he earned an MBA at Northwestern University, where a classmate recruited him to Komatsu.

Rob joined Komatsu America as General Manager of the company's remanufacturing operations in Lexington, Ky., in late 2003. In his capacity as GM, Rob oversees the efforts of about 140 employees and has been responsible for numerous improvement initiatives at the plant.

"Our goal at Komatsu Remanufactured Products is to produce parts and components for Komatsu equipment that conform to the standards and specifications of brand-new parts and components. We think remanufactured products make sense for the end-using Komatsu customer as a way to save both time and money, and get the peace of mind of a factory warranty at the same time."

QUESTION: One of your emphases, upon joining Komatsu Remanufactured Products, was to earn ISO 9001 certification from the International Standards Organization. Have you achieved that, and why is it an important designation?

ANSWER: We became an ISO-certified plant a little more than two years ago and we believe it's a very significant designation for a manufacturing plant like ours. For one thing, ISO certification, which includes regular, ongoing field audits of our operations, ensures that we're following our own standardized processes. These standardized processes lead to a consistently high-quality product that our customers can count on.

Equally important, ISO certification requires us to continuously improve our operations. They check quality measurements, warranty ratios and customer complaints to see that we're taking appropriate action and fixing any problems that arise. So yes, for us, ISO certification is a very big deal because it's the foundation for the quality of product that we're now producing at Komatsu Remanufacturing.

QUESTION: Why is standardization so important in manufacturing?

ANSWER: It's important because, with a standardized process, in which the same job is done the same way every time, when a problem crops up, we can locate what happened. Without it, you have one person doing the job one way and another person doing it another way, so you may never be able to figure out why a failure occurred. It's because of our standardized processes that we're able to produce replacement parts and components that are essentially the same as new and are warrantied as such.



Individual parts are carefully inspected to ensure they meet OEM standards prior to being used in a reman component. Here, technician Tony Johnson measures a camshaft for a mining dozer as part of the inspection process.

QUESTION: What Komatsu remanufactured products are available?

ANSWER: We reman all major components including engines, transmissions, torque converters, final drives, turbochargers, hydraulic cylinders, hydraulic pumps, alternators — nearly everything for construction equipment up through the largest mining machines. We've hired a marketing director to work with our Komatsu distributors to make sure we're meeting their needs and don't have gaps in our product offerings.

QUESTION: What advancements have you made recently?

ANSWER: We've started inspecting and reusing valve springs for use on cylinder heads. Before, we would have used a new valve spring if we were reman'ing a cylinder head. We're especially proud of this because it was initiated by our employees. They determined they could do it and thought it would be a good, cost-saving measure.

QUESTION: It sounds like Komatsu Remanufacturing values its employees.

ANSWER: Certainly. We have a lot of experience in our work force and very little turnover, and we rely on our employees to help make us better. Some assembly teams have formed what we call "quality circles," consisting of three to five members. The quality circles provide input from the floor on how we can improve. It was one of these quality circles that came up with the idea of reman'ing the valve springs.

QUESTION: How do your products compare with new components?

ANSWER: Our target is to produce a product that costs 60 percent to 65 percent of what a new component costs, and that provides 80 percent of the life of a new product. Some people may be wondering why, if it's built to the same standards as a new component, we only expect to get 80 percent of the life.



They've got to understand that if a reman engine goes into a machine that has 10,000 hours on the frame and 10,000 hours on the transmission, it may not run as long as the first engine did. A new engine put in the same used machine may not run as long either.

QUESTION: How does a reman product compare with a "job shop" rebuild?

ANSWER: The main differences between us and a "job shop" are our standardized processes and the number of units we build. We're specialists. This is all we do.

As for a "will-fit" or "job shop" mechanic, they're not going to get the support from the OEM that we do. For example, we're in weekly contact with the factory, getting the latest critical updates on products and how to improve performance. Another big difference is that typically, a "job shop" warranty covers only the labor.

QUESTION: Why should Komatsu equipment users look to Komatsu Remanufactured Products for replacement parts and components?

ANSWER: Komatsu is all about providing value for customers, and we're an important part of that value equation. The combination of price, availability and quality make Komatsu remanufactured products not only a viable alternative to new and rebuilt components, but an excellent value as well. ■

Chamber of Commerce calls for infrastructure improvements

U.S. Chamber of Commerce President and CEO Tom Donohue gave a major address recently, committing his organization to an aggressive initiative that will make increased infrastructure investment a top priority for the nation's leading business advocacy group. In the speech, Donohue condemned the current condition of the nation's transportation, energy and water systems.

"We're rapidly running out of capacity and it's already costing us jobs, productivity, competitiveness, mobility, and most tragically, innocent American lives," Donohue said. "We must begin now to build a modern and safe infrastructure system. The business community must lead the way to make this happen."

Donohue announced that the Chamber would organize, fund and lead a new,

multimillion-dollar initiative called "Let's Rebuild America." The four key goals of the Chamber's plan are: (1) documenting the problem with solid research, including state-by-state infrastructure report cards; (2) educating citizens and policymakers about the benefits of infrastructure and the cost of failure; (3) unlocking pent-up investment by removing legal and regulatory impediments; and (4) boosting public investment through Congressional reauthorizations and public-private partnerships, and stopping the diversion of infrastructure funds to other programs.

Significantly, Donohue said that an increase in the federal gasoline user fee — which has not been raised in 14 years, even as construction costs have soared — should be examined along with other financing options.

AED launches campaign to boost highway investment

Associated Equipment Distributors (AED) has launched an initiative to position the construction equipment distribution industry for a leadership role in the looming national debate over transportation infrastructure investment.

In a recent speech, AED President Toby Mack told equipment industry executives that the nation's infrastructure needs are dire, that Congress would soon be forced to make difficult decisions about how to pay for much-needed additional highway construction, and that AED would be playing a major role in that national dialogue. The vehicle for AED's involvement will be the association's new Highway Infrastructure Taskforce (HIT).

Mack pointed to government estimates predicting that by the time SAFETEA-LU, the current highway law, expires in September 2009, gas tax revenues will fall short of authorization levels by close to \$5 billion. If Congress does not address the problem, highway funding in 2009 could be cut by more than 30 percent, and such cuts would continue into the future.

"AED has seen this coming and we have no intention of sitting on our hands," Mack said. "We're gearing up to play a major leadership role beyond anything we've done before. With the mobilization of our membership to provide both the resources and political activism, not only can we turn this around, but we can lay the groundwork for major new investment in highway capacity going forward."

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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."







CERTIFIED USED MACHINES

Why used equipment buyers will want to check out Komatsu ReMarketing's CONEXPO display



Lee Haak, Komatsu ReMarketing Director



Do you want to avoid making a potentially costly mistake in your next used equipment purchase? A good way to be safe in buying used is to buy a Komatsu Distributor Certified used machine. A Distributor Certified machine is not your typical used machine. To illustrate the difference, the Komatsu ReMarketing group will have a unique "half-and-half" machine at its display area at the upcoming CONEXPO in Las Vegas.

"We're taking a used D61PX dozer and fixing half of it to the standard of a 'B-level' Distributor Certified unit," explained Komatsu ReMarketing director Lee Haak. "The other half, we're leaving 'as is.' We believe this will strikingly demonstrate what separates a Komatsu Distributor Certified machine from a used machine you might buy at auction."



What's the difference between Komatsu Distributor Certified used equipment and other used machines? A unique "half-and-half" D61 dozer (half certified and half used) will be on display at CONEXPO to illustrate the stark differences. Komatsu ReMarketing officials will be on hand to explain what gets done and what it means to you as a used equipment purchaser.

The big difference between the two, according to Haak, is that Komatsu certifies what you're buying, both inside and out. "The first thing we do is put the machine through a rigorous inspection to determine if it's worth restoring. If it doesn't pass, we don't fix it. We sell it 'as is,' with a full report on what's wrong with it — or we sell it for parts."

Looks good and runs well

If the inspection reveals the machine is worth fixing, your Komatsu distributor will make the repairs, including putting in new or remanufactured parts or components where necessary.

"Unlike some used equipment sellers who only do cosmetic work like paint jobs, we make sure the machine is going to run well, as well as look good," said Haak. "We do track work, blade or bucket work, service the hydraulic system, repack the cylinders, overhaul the engine — whatever is required. The bottom line is, because of the work we've done, you can be sure the machine will do what you're counting on it to do."

In addition to viewing the "half-and-half" machine at CONEXPO, and learning what all goes into bringing it up to a higher level, Komatsu Remarketing will have information on a new warranty program designed specifically for Distributor Certified machines.

"We invite all CONEXPO attendees to stop in and see us, and learn more about Komatsu Distributor Certified used equipment," said Haak. "It sometimes costs a little more, but we'll be happy to show you how the additional money is put back into the Distributor Certified pieces to bring them to a higher standard than other used equipment."



UNDERCARRIAGE MANAGEMENT

How machine owners and operators can help prevent unnecessary undercarriage wear

With undercarriage costs consuming a significant portion of the average operating cost-per-hour of your track-type equipment — 50 percent in most cases — properly maintaining your undercarriage system is essential. Use the following recommendations to maximize the hours of service life built into your Komatsu undercarriage components, keeping in mind that the undercarriage works and wears as a system. A worn component can have an adverse effect on the entire system, greatly reducing your total undercarriage life.

Understand the System. Undercarriage is often the least-understood system on the track-type machines. If you are experiencing accelerated undercarriage wear, the problem may not be the fault of the components. Operation, application, maintenance and component selection can often be contributing factors in undercarriage wear. Wear cannot be eliminated, but it can be controlled. Invest the time to learn all you can and take control of undercarriage costs.

Manage the System. Begin with a comprehensive undercarriage management program. Inspection is only the beginning. Evaluating the measurement data and following the recommendations of your factory-trained distributor undercarriage specialist is paramount to achieving satisfactory service life. Management is essential and continuous. One of the tools available through your Komatsu distributor is the computer-assisted Track Management System or TMS. By taking advantage of this service, you will reduce unscheduled downtime and operating expense.

Ensure proper alignment. The quickest way to detect an alignment problem is to look for anything shiny that normally should not be shiny. The inside of track links that are scuffed

and shiny, roller and front idler flanges that show wear, and sides of sprockets that are coming in contact with the inside of the track links most often are indicators that the track frame alignment system needs attention. Failing to heed alignment warning signs will cause accelerated parts wear and, in extreme cases, LTS seal and/or bushing failure.

Operate with the undercarriage in mind. Managing undercarriage wear and controlling operating cost-per-hour come first from the operator's seat. Turning, speed and direction of travel are three of the most important operationally controlled wear factors. While you can seldom build job operations around

In short, undercarriage cost-per-hour control starts with understanding and managing the system. Then, operate the machine keeping in mind control of undercarriage wear factors.

these operating factors, you should give them

ongoing consideration.



Dick Schaefer, Senior Product Manager -Undercarriages

Inspection is a starting point to managing your undercarriage. One of the tools available through your Komatsu distributor is the computer-assisted Track Management System or TMS. By taking advantage of this service, you will reduce unscheduled downtime and operating expense.



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