

PUSHING AHEAD

A PUBLICATION FOR AND ABOUT CLAIREMONT EQUIPMENT CUSTOMERS • 2014 No. 3

INCREASED LIFT CAPACITY

New tight-tail-swing
PC228USLC-10 provides
more horsepower,
greater stability



KOMATSU®

A MESSAGE FROM THE PRESIDENT



Ronald Zagami

**Specialty
machines are
often best for
challenging
conditions**

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Dear Valued Customer:

Congress proved it could work in a bipartisan fashion when it passed the new water-resources bill that provides more than \$12 billion in spending throughout the next decade. We hope the good news continues with a measure that secures funding for a new highway bill as well. The current bill expires at the end of September, and by then, the Highway Trust Fund will be depleted. I encourage you to contact your representatives and emphasize how important such legislation is to our nation.

Many of you work on utility and highway projects that are funded by such bills, so you know that typically those jobsites are congested and space is at a premium. Working in those types of conditions can be difficult. Often, only a specialty machine, such as Komatsu's new tight-tail-swing PC228USLC-10, will do. It's the perfect machine to provide the power you need to dig and load without worrying about a large counterweight hitting something while you swing. You can read more about this innovative excavator in this issue of your Clairemont *Pushing Ahead* magazine.

Komatsu uses its excavator technology in more than just its base machines. For instance, several pieces of equipment use this technology, including the PC210LC-10 Waste Handler and the PC240LL-10 Log Loader. Find out how these unique machines provide efficiency and production when working in challenging conditions.

Dash-10 model machines are covered by Komatsu CARE, which provides complimentary scheduled service for the first three years or 2,000 hours. Our certified technicians perform the services at times and locations that are convenient for you. We also offer cost-effective service on older machines, including major items such as rebuilds. I urge you to contact us to find out how Clairemont Equipment can minimize your downtime, maximize your uptime and extend the life of your machinery.

If there's anything we can do for you, whether it's parts, service or equipment sales or rentals, please call or stop by one of our branch locations.

Sincerely,
CLAIREMONT EQUIPMENT COMPANY

A handwritten signature in black ink that reads "Ronald Zagami". The signature is fluid and cursive, written in a professional style.

Ronald Zagami, President

**Clairemont
Equipment**
RENTALS • SALES • SERVICE

PUSHING AHEAD

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Published by Construction Publications, Inc. for

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OBAMACARE AND YOU

What the Patient Protection and Affordable Care Act means for contractors

This article is based on information presented at a CONEXPO seminar entitled, "Health Care Reform and How Your Decision Will Affect Your Company." Presenters were professionals from the health insurance and benefits industries.

Without insurance, health care, let alone major surgery, is cost prohibitive for the vast majority of Americans. Under Obamacare, what is your obligation – as an employer or an employee – regarding health insurance?

Many contractors are entering an uneasy time. The employer mandate provision of the Patient Protection and Affordable Care Act (ACA), commonly referred to as Obamacare, has been pushed back. It was originally scheduled to begin January 1, 2014, but the government delayed implementation until January 2015 for companies with 100 or more employees and until January 2016 for companies with 50-99 employees. But make no mistake, barring something dramatic and highly unlikely, the Obamacare employer mandate is coming, and as a contractor, you need to know what it means for you.

The ACA employer mandate requires companies with 50 or more full-time or full-time equivalent (FTE) employees to offer "affordable" insurance that meets a required "minimum value" level of coverage. Affordable means the employee's share of the cost is less than 9.5 percent of his annual household income. More than that and the plan is deemed "not affordable" and, therefore, unacceptable. Minimum value means the plan must cover at least 60 percent of the cost of required services. That's known as a bronze-level plan. There's also a silver plan that pays 70 percent, a gold plan that pays 80 percent and a platinum plan that pays 90 percent.

Employers who fail to offer their employees insurance that at least provides for certain essential benefits, such as preventive care, will pay a penalty of \$2,000 per employee. Those who do not offer coverage that meets the "minimum value" requirement or is not "affordable," AND if the employee receives a tax credit for obtaining insurance on his own, will pay \$3,000 per employee. Employers get an exemption from penalties for 30 employees, so the penalty would be the number of full time employees minus 30, times \$2,000 or \$3,000. Both the \$2,000 and \$3,000 penalties are expected to increase each year based on the increase in insurance premiums.

How many firms are impacted?

Officials say there are approximately 6 million total firms in the United States and about 96 percent of them have fewer than 50 employees, which means they are not subject to the ACA employer mandate. That leaves roughly 240,000 companies that employ more than 50 people, and 96 percent of them already provide health coverage for their employees. Therefore, they say the employer mandate provision of Obamacare will impact fewer than 10,000 businesses or less than 0.2 percent of the nation's 6 million employers.

It's not known how many construction companies are among those 10,000 affected, but it's thought to be well above the 0.2 percentage rate for all businesses.

If you own a small contracting firm, and you're never going to approach the 50-employee level, then the ACA employer mandate doesn't affect you and probably never will. Nonetheless, it may be worthwhile for you to look into it because there are incentives, including tax credits, for providing insurance.





If you own a large construction company, you don't have a choice. You have to offer insurance or pay the fines. The government will discourage you from cutting back to get under the 50-employee threshold. Neither will you be allowed to divide your company into two or more different companies in order to get below 50 employees. If you're a good-sized firm, and you don't currently offer insurance to employees, you should be planning your strategy for dealing with the ACA.

To grow or not to grow

But what if you're Mr. In-Between? You're close to 50 employees now, or soon could be. In that case, you have a decision to make. Do you take a chance and grow, even though it will subject you to the Obamacare employer mandate? Or do you try to stay right where you are, or even scale back a bit?

There's no question that many contractors are taking a wait-and-see approach. Experts say that's understandable and reasonable.

"Contractors are experts at running numbers," said Jeffrey Bennett, a Principal of Direct Retirement Solutions, in an article in the March 2014 issue of *Utility Contractor* magazine. "They need to do the same thing for Obamacare. Calculate the cost of compliance before you panic. It might not be all that bad. Perhaps a more important question is: what will it cost your business to stay under 50 employees? I believe that business either grows or it dies. Limiting the growth of your business

to avoid a government regulation can be like shooting yourself in the foot."

Whether you are on that 50-employee dividing line or over it, you'll have to do what you've always done – weigh the pros and cons and make a sound business decision. You may find you need outside help from an accountant or attorney, or perhaps a benefits consultant who specializes in working with construction companies. It may also be helpful to talk to friendly competitors who are facing the same issue.

Factors to consider

Of course, there is no one-size-fits-all answer for any of the questions raised by Obamacare. The right answer will depend on your specific circumstances. Factors to consider include:

- What will it cost you to insure employees (employer contributions are tax deductible)?
- What will it cost you not to insure your employees (penalty payments are not tax deductible)?
- Would your employees value insurance coverage?
- Do you do much "prevailing wage" work (the fringe benefit portion may be used for insurance)?
- What's the economy like? Can you grow your business if you want to?

"When we model out the scenario for large companies to determine whether a client will be better off dropping out and paying the penalty or

Despite significant improvement in recent years, construction remains one of the world's most dangerous industries. Beginning in January 2015, construction companies with more than 100 employees will be required to offer insurance to their employees or pay a penalty. Companies with 50-99 employees will face the same requirement beginning in January 2016.

Continued . . .

Companies weigh their health-care options

... continued



Henry Beceiro,
Vice President,
Alliant Insurance
Services

offering insurance, we've found that most would probably come out ahead financially by paying the penalty – at least initially," said Henry Beceiro, Vice President, Alliant Insurance Services, who was lead presenter at a CONEXPO 2014 health insurance seminar. "But when you take into account the tax considerations, many of my clients discover the difference between 'paying' or 'playing' is actually pretty close."

And if it is close, one overriding factor might push you toward 'playing,' and that's employee satisfaction.

"When we survey workers across the country, one of the things they say they like best about their jobs are the benefits their employer provides," Beceiro noted. "If, as an employer, you decide to just pay the fine, your employees will be out on their own looking for insurance as individuals, which will almost certainly be more costly to them than the same coverage through you as an employer.

"If you don't offer insurance and a competitor does, do you think your employees might leave you to work for that competitor?" he asked. "How important are your employees to you? Do you care if they leave? If many did leave because of the issue, would that impact your bottom line? Those are critical questions that each contractor will probably want to answer before deciding to simply pay the penalty."

Be informed and keep employees informed

The employer mandate section of Obamacare is all about offering coverage to your employees –

not their families. While it may be a good idea to offer coverage that includes dependents, you are not required to do so. Also, you're not responsible if an employee chooses not to take the insurance you offer.

"Many employers say their employees don't want insurance if it means less take-home pay – but no insurance is not really an option any longer," said Beceiro. "Remember, in addition to the employer mandate, there's also an individual mandate that requires almost every American to have health insurance or pay a tax penalty. Granted, the individual penalty for being uninsured is fairly small initially (\$95 in 2014), but it goes up quickly (\$600 in 2015 and who knows where from there).

"As to whether employees will take insurance if offered and how they will feel about it will largely be determined by how informed they are," he added. "They need to know the facts. Fact one is, like the employer, they too must 'play' or 'pay.' Fact two, they should be made aware that the average deductible on an exchange plan for an individual is \$5,000. Fact three, the list of doctors on an individual plan is often about half the size of those available on a group-sponsored plan. So employees have strong incentives to take employer-offered health insurance, and they're likely to do so if it's a fair plan and if the benefits and alternatives are properly explained to them."

Beceiro says that while the specifics of Obamacare and the employer mandate may continue to be tweaked in the months and years to come, he can't imagine wholesale changes in the future.

"Obviously, many politicians dislike the law, as do many Americans, but since the ACA has already been upheld by the U.S. Supreme Court, I don't think there's any going back. The cat is already out of the bag. The best thing a contractor can do is to stay informed, keep his employees informed and figure out how to comply with the law in a way that either benefits his firm or has the least negative impact on it."

The Obamacare Web site is a good place for general information. If you belong to any industry-specific organizations, they too may be good sources for how to comply with the ACA. ■

Employees are not required to accept an employer's insurance offer, but they will be required to have insurance. Individual plans tend to cost more and provide less than group plans.



HOUSING SPURS JOB GROWTH

NAHB economist says right policies will lead to further industry expansion

The health of the housing market is key for the overall state of the U.S. economy, and housing stands poised to serve as an engine of job growth with the right policies in place. During the past two and a half years, home building and remodeling has generated more than 274,000 jobs. This expansion has direct economic benefits. Housing provides the momentum behind an economic recovery, because home building and associated businesses employ such a wide range of workers.

The National Association of Home Builders' (NAHB) analysis of the broad impact of new construction shows that building 1,000 average single-family homes generates 2,970 full-time jobs, \$162 million in wages, \$118 million in business income and \$111 million in taxes and revenue for state, local and federal governments. Similarly, construction of 1,000 rental apartments, including units developed under the Low Income Housing Tax Credit, generates 1,130 jobs, while \$100 million in remodeling expenditures creates 890 jobs.

Currently, housing comprises about 15.5 percent of GDP, but the industry still has room to grow. Typically, housing represents 17 to 18 percent of GDP. With a growing population and an aging housing stock, NAHB forecasts that single-family construction will increase by 22 percent in 2014 to 760,000 units, and multifamily production will rise 6 percent to 326,000 units. NAHB also predicts that 2014 will be the first year since 2007 that total housing starts will exceed 1 million homes, and this expansion will produce jobs.

Protect deduction, credit

While we expect home construction to continue to expand and add jobs, builders continue to face persistent headwinds, which include access

to building lots, rising building-material prices, access to builder loans and worker shortages in some markets. Additional challenges relate to the lack of policy in areas connected to housing. To help the industry play its traditional role as a job creator, we call on Congress to ensure that undue regulatory burdens do not hinder economic and job growth. Regulation imposed by government at all levels accounts for 25 percent of the final price of a new single-family home built for sale.

We encourage lawmakers to protect the mortgage interest deduction and Low Income Housing Tax Credit, which are critical to ensuring the growth of the middle class and access to affordable housing. We also urge lawmakers to pass comprehensive housing finance reform that includes a federal backstop to ensure the availability of the 30-year mortgage, increase private capital in the marketplace and protect the American taxpayer, which would be a net positive for job creation. ■

National Association of Home Builders Economist Robert Dietz recently urged the Senate Banking Committee's Subcommittee on Economic Policy to protect the mortgage interest deduction and Low Income Housing Tax Credit, which are essential elements to a strong housing industry that serves as an engine of economic and job growth.



Robert Dietz,
Economist,
National
Association of
Home Builders



FIRSTHAND EXPERIENCE

Komatsu event showcases new dozers that feature *intelligent Machine Control* technology



Peter Robson,
Director of Intelligent
Machine Control

Komatsu recently expanded its *intelligent Machine Control* (iMC) dozer lineup, and customers and distributor personnel got a chance to see and operate several dozers during an iMC event at the Komatsu Training and Demonstration Center in Cartersville, Ga.

Attendees learned about the innovative technology behind the iMC lineup that includes D61i-23 and D39i-23 models, as

well as the D51i-22 dozer. The dozers feature factory-integrated 3D machine control that functions without the blade-mounted masts and cables associated with conventional aftermarket systems. The technology provides fully automatic blade control from rough-cut to finish grade with maximum blade load.

“The feedback we get from users is phenomenal,” said Peter Robson, Director of Intelligent Machine Control. “They see both time and money savings, and with automatic blade control, they get to final grade faster and more efficiently. Additionally, there are no masts or cables to get damaged and replaced, and no one has to climb on the machine to install and detach them. We’re glad so many came to this event and saw the benefits of *intelligent Machine Control*.”

Komatsu also highlighted the latest Topcon technology for productivity reporting and remote machine monitoring. Attendees could see the software that’s designed to work with GPS systems to track production in real time. ■



Komatsu showcased its *intelligent Machine Control* dozers, including D61PXi-23 and D39PXi-23 models, during an iMC experience at its Training & Demonstration Center in Cartersville, Ga.

Komatsu recently added to its *intelligent Machine Control* dozer lineup with the addition of new models, including the D51PXi-22.



Go online or scan this QR code using an app on your smart phone to watch video.

Innovative. Intelligent. Integrated.



D61i-23

Next Generation Machine Control

No Masts

No Cables

No Connections

Factory installed Intelligent Machine Control — standard on the new D61i-23. Automated dozing — 1st to last pass with finish grade performance. Intelligent blade assistance minimizes track slip and improves efficiency.

Komatsu — Customer driven solutions.



Conventional
Machine Control



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INNOVATIVE PRODUCT

INCREASED LIFT CAPACITY

New tight-tail-swing PC228USLC-10 provides more horsepower, greater stability

Having one machine that works equally well in open and confined spaces is a distinct advantage for contractors who perform work in a variety of applications. Komatsu's new tight-tail-swing PC228USLC-10 excavator offers that with upgrades that increase horsepower, lift capacity and stability.

More compact than a conventional excavator, the PC228USLC-10 is ideal for working in confined areas, such as road, bridge and urban projects among others. The boom foot position and raising angle is higher than on the Dash-8 model it replaces, giving the excavator a shorter swing radius. The rounded design lets the cab rotate within

the same swing radius as the counterweight, further enhancing versatility in tight working conditions.

"The PC228USLC-10 provides excellent production on congested jobsites where operators may be close to a building or other obstruction, or on a road project that involves working in a lane of traffic," said Product

Continued . . .



Rob Orłowski,
Product Manager,
Excavators

Quick Specs on the Komatsu PC228USLC-10

Model	Horsepower	Operating Weight	Digging depth
PC228USLC-10	158 hp	54,123-55,336 lbs.	21 ft., 9 in.



Komatsu's new tight-tail-swing PC228USLC-10 excavator's boom foot position and raising angle is higher than on the model it replaces, giving the excavator a shorter swing radius. The rounded design lets the cab rotate within the same swing radius as the counterweight.

Compact PC228USLC-10 ideal for confined areas

... continued

Manager, Excavators Rob Orłowski. "Because it has good power and efficiency, it can also be a good choice for moving dirt in open areas."

Komatsu increased counterweight mass by an additional 2,865 pounds, giving the new PC228USLC-10 improved lift capacity over the front and side of the machine. Additionally, it provides better stability during heavy lifting.

Built for durability, reliability

Durability and reliability are built-in with boom and arms that are highly resistant to bending and torsional stress due to large cross-sectional structures, high-tensile strength steel, interior partition walls and large one-piece castings.

Komatsu's exclusively designed electronic components, such as controllers, connectors, sensors and wiring, have undergone extensive testing to ensure reliability in the harshest conditions. The DT-type electronic connectors are sealed against dirt and moisture and metal guard rings protect hydraulic cylinders. Hoses are equipped with O-ring seals to help prevent leaks. Long replacement intervals for hydraulic oil, engine oil and filters keep the machine up and running for increased production hours.

The Komatsu PC228USLC-10 is equipped with hydraulic system improvements and a Tier 4 Interim engine that increases horsepower by 6.7 percent. The new engine and hydraulic pump control technology improves operational efficiency, speed and productivity while lowering fuel consumption up to 4 percent compared to the previous model.

Added horsepower

The Komatsu PC228USLC-10 is equipped with hydraulic system improvements and a Tier 4 Interim engine that increases horsepower by 6.7 percent. It uses an advanced electronic control system to manage airflow rate, fuel injection, combustion parameters and after-treatment functions to optimize engine performance, reduce emissions and provide diagnostic capabilities.

New engine and hydraulic pump control technology improves operational efficiency, speed and productivity while lowering fuel consumption up to 4 percent compared to the previous model. All major components are exclusively designed by Komatsu to work in harmony and optimize performance.

Six working modes

Operators can also optimize performance and productivity with six working modes and a Power Max control that matches engine speed, pump flow and system pressure to specific application requirements. Improved attachment flow control allows greater flexibility for attachment adjustments. In hard digging, the one-touch Power Max function increases digging force by 7 percent for 8.5 seconds.

Setting modes is done through the large multi-color monitor in the enhanced cab that features a standard high-back operator seat that provides excellent support and comfort for reduced fatigue and increased productivity. The cab is pressurized to minimize dust, offers wide visibility and the cab damper mounts reduce noise and vibration.

"Our previous model really set the standard for tight-tail-swing excavators in the 50,000-pound category, and the PC228USLC-10 builds upon that with improvements that make it one of the most productive, efficient and versatile machines in the industry," said Orłowski. "As with all our Tier 4 models, Komatsu backs the PC228USLC-10 with Komatsu CARE, which provides scheduled factory maintenance for the first 2,000 hours or three years and includes a 50-point inspection with each service." ■



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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GREATER LOGGING CAPACITY

Komatsu introduces new PC240LL-10 Log Loader designed for increased production



Steve Yolitz,
Manager,
Marketing Forestry

When it comes to forestry work, you want machinery and attachments that stand up to the rigors of such a tough application. Komatsu provides that with specialty products, including its new PC240LL-10 Log Loader, which features heavy-duty components for better reliability, durability and performance in shovel logging, loading trucks, sorting in a mill yard, processing logs or road building. The PC240LL-10 is the newest member of Komatsu's Dash-10 log loader family, and it shares many design principles, features and benefits of the well-received PC390LL-10.

Typically, Komatsu uses some components from the next-size-larger excavator in its log loaders, such as the swing system and undercarriage," said Steve Yolitz, Manager, Marketing Forestry. "We also upgraded the revolving frame and final drives, as well as redesigned the forestry cab with

stronger doors, windows and guarding. The live heel logging boom is redesigned too. Everything except for the grapple is engineered and manufactured by Komatsu to meet its Komatsu Engineering Standards and can be serviced through our distributors as opposed to some items handled by third-party entities."

Customers can now get factory-installed grapples, according to Yolitz. "Komatsu offers a turn-key solution in a powerful machine that meets Tier 4 Interim engine standards with special regeneration logic that notifies the operator that a regen is needed. That gives them the flexibility to select the optimum time and place to do it. The engine has 5-percent greater horsepower and up to 10-percent better fuel efficiency compared to the PC220LL-8 it replaces. In addition, the machine is covered by the Komatsu CARE complimentary scheduled maintenance program for the first three years or 2,000 hours. This is the same program offered on the Komatsu PC390LL-10 Log Loader and all other Komatsu Tier 4 machines."

Quick Specs on the Komatsu PC240LL-10 Log Loader

Model	Operating Weight	Net Horsepower	Reach
PC240LL-10	83,895 lbs.	177 hp	38 ft.

Forestry versatility

Although the LL in the model name stands for "log loader," the PC240LL-10's overall rugged design and high and wide undercarriage makes it an ideal platform for other demanding forestry applications such as head processing and road building, according to Yolitz. "For forestry contractors seeking a tracked harvester, the PC240LL-10 can be equipped with a HD boom, HD arm and a processing head. The machine can also be used for forestry road building applications by equipping it with an HD excavator boom, one of several excavator arms and a variety of Komatsu buckets. With the combined versatility of the PC240LL-10 and the larger PC390LL-10, our distributors can now meet a broader range of their forestry customers' needs." ■

Komatsu's new PC240LL-10 Log Loader is built with heavy-duty components and a redesigned cab for greater durability, reliability and performance.



NEW PRODUCT

UP TO THE CHALLENGE

Rugged design of PC210LC-10 Waste Handler provides maximum uptime in tough applications

Waste handling presents unique challenges, such as highly varied material and airborne debris. These conditions are hard on engines and other critical systems, but Komatsu designed the new PC210LC-10 Waste Handler to handle these tough applications with maximum uptime.

“Transfer stations, demolition, scrap handling and recycling require severe-duty machines, and the PC210LC-10 Waste Handler’s features minimize the impact these applications present,” said Rob Orłowski, Product Manager, Excavators. “It allows users to focus on the work and not on whether the machine needs attention because it’s overheating or accumulating excessive airborne debris.”

Several features reduce debris accumulation and improve airflow, including a high-capacity Sy-Klone® engine precleaner, a remote-mounted A/C condenser, an engine door and hood corrugated screening package, an auto-reversing fan and radiator clean-out covers to keep air flowing through the coolers and make cleaning easier. Engine and hydraulic-compartment gap seals prevent debris from entering the radiator-cooling air stream. A wide core cooling package with wide fin spacing keeps air flowing through the radiator, hydraulic oil and charge air coolers.

The standard auto-reversing fan changes airflow direction to clean screens and coolers at regular intervals. Operators can adjust the intervals to match conditions, and they can manually reverse the fan at any time with the flip of a switch.

Built for severe duty

Komatsu engineered the PC210LC-10 Waste Handler with a severe-duty revolving-frame undercover that has thicker steel for greater

protection of internal components. Operators are also well protected from falling debris with standard cab-top guarding. Additional falling-object protection and front window guards are also available.

The heavy-duty boom and arm are made with high-tensile-strength steel and have large cross-sectional areas and one-piece castings in the boom foot and boom and arm tips. The design provides excellent strength and durability.

“With six working modes, operators can match the machine to the working conditions, including everything from high production in tough tasks to better fuel efficiency in light material applications,” said Orłowski. “It’s purpose-built to stand up to practically any waste-handling situation.” ■

Quick Specs on the Komatsu PC210LC-10 Waste Handler

Model	Net HP	Operating Weight
PC210LC-10 Waste Handler	158 hp	50,741 lbs.

Komatsu designed the PC210LC-10 Waste Handler for maximum uptime in severe-duty applications, such as transfer stations, demolition, material handling and recycling.



WA500-7

From Komatsu - The Loader Experts



The WA500-7 Tier 4 Interim Wheel Loader is a class-leading performer in the aggregate industry with improvements in production, fuel efficiency, operator comfort and serviceability.

- Large-capacity torque converter with lock-up delivers power, speed and efficiency.
- New operator's cab offers improved visibility and ergonomics.
- Efficient Tier 4 Interim engine provides up to a 7% reduction in fuel consumption.
- Komatsu CARE provides complimentary Tier 4 maintenance, including Komatsu Diesel Particulate Filter exchange. Contact your Komatsu distributor for details.

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“BREAKING” NEWS

ROCKIN’ A HARD PLACE

Crushing and screening contractor sees greater efficiency, cost savings with Xcentric® Ripper attachment

Thousands of years ago, a vast sea covered West Texas’ Permian Basin. When it eventually dried up, it left behind a thick deposit of rock that presents challenges to companies such as Mobile Crushing & Screening, which supplies limestone and caliche to a variety of customers in the area.

For years, companies have used the typical methods of blasting and hammering to break up the hard rock material. Recently, Mobile Crushing & Screening decided to try an XR50 Xcentric® Ripper attachment to sheer rock off its quarry walls. Owners Blake and John Frerich said the results speak volumes.

“Our production rate is relatively the same as it was before, but we’re finding greater efficiency and savings with the Xcentric Ripper,” said Blake. “It’s more efficient than hammering and pulling down the material. The biggest advantage is it eliminates our need to blast. Using the XR50 has cut our per-ton cost in half compared to blasting, so we’re seeing significant savings.”

Komatsu’s subsidiary Hensley Industries, Inc., recently became the distributor for Xcentric Ripper attachments in 82 countries throughout the world. There are nine models available that fit seven- to 150-ton excavators. The attachments have Xcentric’s patented Impact Energy Accumulation Technology, which features amplified eccentric gears and enables efficient rock breaking. The unique design uses high-frequency impact force, different than traditional hydraulic breakers. Impact frequency varies by model and ranges from 900 to 1,500 beats per minute to help increase production.

“We’re getting more useable material because it virtually eliminates fines associated with blasting,” said John. “We were getting about 30 to 35 percent after blasting. Using the attachment, we’re up to 85 to 95 percent.”

Less maintenance

Xcentric Ripper attachments are made with wear-resistant steel for long life and durability and have a simple structure for ease of maintenance. Unlike traditional hammers, which have to be greased every few hours, Xcentric Rippers require no daily lubrication. The attachments only need greasing every 1,000 hours and use an easily replaceable tooth instead of a blunt bit.

“Less maintenance equates to greater production and lower costs,” said Blake. “That’s a big advantage.” ■



Go online or scan this QR code using an app on your smart phone to watch video.

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▶ VIDEO

Blake (left) and John Frerich use an XR50 Xcentric Ripper to sheer walls at their quarry. “We’re getting more useable material because it virtually eliminates fines associated with blasting,” said John. “We were getting about 30 to 35 percent after blasting. Using the attachment, we’re up to 85 to 95 percent.”



TRAINING NEW TECHNICIANS

Innovative program is designed to prepare new generation of service personnel



Mike Hayes,
Director Service
Marketing &
Distributor
Development
Service

The equipment industry continues to face a shortage of skilled technicians, but Komatsu, along with dealers and the North Dakota State College of Science (NDSCS), aims to close the gap. The college and Komatsu distributors announced a new program – Diesel Technology-Komatsu – in May, and the first wave of students will begin classes at NDSCS’s Wahpeton, N.D., campus during the fall semester.

The two-year Diesel Technology-Komatsu program combines classroom and hands-on laboratory instruction, as well as internships at the dealerships. Through the program, students receive state-of-the-art technical training on Komatsu equipment, including classes on engines and fuel systems, powertrains and undercarriage, electrical/electronics and hydraulics. NDSCS is an AED (Associated Equipment Distributors) accredited college.

“With high-quality, innovative equipment comes the need for highly skilled, trained technicians,” said Mike Hayes, Komatsu’s Director Service Marketing & Distributor Development Service. “This collaboration gives Komatsu and our distributors those technicians

that are needed in today’s marketplace. It aligns with Komatsu’s global initiative and complements several active training programs that we offer.”

Graduates earn an Associate in Applied Science degree, and through scholarship assistance, may be reimbursed up to 90 percent of the costs associated with the program, such as tuition, fees and supplies. Students are sponsored by dealers and will have the opportunity to intern with the dealers during their summer breaks. Students will also have two additional eight-week internships as part of the program.

“The internship portion provides an opportunity for students to apply what they learn in classrooms and labs to real-world experience,” said Hayes. “As times change, so has equipment and the skills needed to properly service it. In addition, students take core curriculum in math, English and other subjects, so they graduate with a well-rounded educational experience that prepares them well to be a technician of the future.”

Looking for more partners

Hayes noted that the NDSCS program is similar to another program Komatsu offers with distributors, at the Okmulgee campus of Oklahoma State University.

“We’ve found the program through Oklahoma State University to be a great resource, and we believe this new program will provide similar results,” said Hayes. “Komatsu is definitely looking for ways to expand such programs in the future.”

Prospective students can learn more about the Diesel Technology-Komatsu program through NDSCS by visiting www.ndscs.edu/komatsu or calling Enrollment Services in Wahpeton at 1-800-342-4325. ■

Komatsu, distributors and North Dakota State College of Science (NDSCS) teamed up to create the Diesel Technology-Komatsu program at NDSCS. During the two-year program, students get classroom, lab and internship experience with Komatsu equipment, which prepares them to become service technicians.



KOMATSU TOTAL SOLUTIONS

New KAC President says finding better ways to meet customers' needs is Komatsu's goal

QUESTION: Komatsu has been very innovative through the years in integrating technology such as KOMTRAX and *intelligent* Machine Control into equipment. What's next?

ANSWER: Regarding *intelligent* Machine Control (iMC), we started with the D61i dozer, then expanded it to smaller finish-grade dozers, the D51i, D39i and D37i. We intend to launch our first iMC excavator in the United States in the near future.

Building good, high-tech machines, such as our iMC products with industry-leading specs and features, is just the first step. That's the minimum any top manufacturer must do. At Komatsu, our goal is to also provide great service and, ultimately, offer "total solutions" to help customers overcome the challenges they face.

QUESTION: Can you give examples of such Komatsu "total solutions"?

ANSWER: Let's stay with iMC dozers. The product itself, with factory-integrated blade-control technology, is significant, and to my knowledge, it's unique in the industry. But in and of itself, it's not a total solution. However, when you factor in KOMTRAX, Komatsu CARE (complimentary maintenance for the first three years or 2,000 hours), and the fact that nearly all of our dealers have a Technology Solutions Expert on staff – those are service solutions that I believe are a step ahead of other manufacturers. Finally, to encompass the full iMC solution to the customer, three-dimensional modeling, as well as daily productivity, will become part of the portfolio.

Continued . . .



Masayuki "Max" Moriyama, President and COO, Komatsu America Corp.

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.

Masayuki "Max" Moriyama became President and Chief Operating Officer of Komatsu America Corp. (KAC) in April 2014. Born in the ancient city of Nara, Japan, Max grew up and was educated in the Tokyo suburb of Kawasaki City, then attended Keio University in Tokyo. In 1980, he graduated with a degree in Mechanical Engineering, and started his Komatsu career shortly thereafter.

Max began as a design engineer for small dump trucks. In 1988, he was awarded a Komatsu scholarship to study abroad and spent two years earning a Master's Degree in Mechanical Engineering from Cornell University in Ithaca, N.Y. Upon returning to Japan, he worked on excavator research and development at the Technical Center in Osaka from 1990-2000, then was transferred back to the United States to be senior design engineer at the Chattanooga Manufacturing Operations in Tennessee.

In 2003, Moriyama went back to Tokyo where he became worldwide product manager for construction-size excavators, overseeing the Tier 3 Dash-8 model introduction. In 2006, he went back to Osaka to oversee design of all track machines, then in 2010, he was elected Executive Officer of the Tech Center – a position he held until he was named KAC President a few months ago.

"This is my third time in America with Komatsu, but my fourth time living here," said Max, whose wife, Kozue, will join him in Chicago in the near future. "From first through third grade, I attended a public elementary school in Queens, N.Y., while my father, who worked for a Japanese trading company, was based there. I really enjoy the United States, in large part because the people are energetic and open-minded. I look forward to working with our KAC personnel, distributors and customers during the next few years, and I fully intend to visit every distributorship and every state during my presidency."

KAC president plans to visit every state

... continued

Our Autonomous mining truck is another example. It's not just that we make a driverless truck that's already operational in mines. The total solution is everything that goes along with it, such as a dispatch system and fleet-management services.

Those are the types of total solutions we're working toward. Are we all the way

there yet? No. But we're working with our distributors and customers, so they understand the direction and can see how we intend to differentiate ourselves from the competition.

QUESTION: You mention customers, where do they fit in?

ANSWER: At the very top. They are why we do what we do. My background is in design engineering, and I'm hands-on when it comes to equipment. I like to see it at work on the job. That's why it's my intention to visit every state and talk to our distributors and also to their customers. I want to know what they like and what they need. Most of all, I want to get facts and see for myself what's happening on construction sites so I'll know firsthand what we need to do to improve our customers' experiences.

QUESTION: What's the equipment market like right now and what are you anticipating for the rest of this year and beyond?

ANSWER: It's a mix. A few years ago, mining was very strong. This year, it isn't. That's especially true for new-equipment sales. We still have good parts and service sales at mines that are still operating, but we would like to see the mining side of our business improve. It's especially important to Komatsu America because we have the Komatsu "mother plant" for large, electric dump trucks right here in Peoria, Ill.

Demand for construction equipment, on the other hand, is good, and we're projecting a strong market for the remainder of the year and into the future. The total number of units sold continues to increase, and at Komatsu, we're improving market share. We believe that's a result of innovations such as iMC machines, Komatsu CARE, KOMTRAX and hybrid excavators. As long as we keep innovating and giving customers tools to do their jobs better, Komatsu will continue to be a major force in the heavy-equipment industry and can become indispensable to customers. ■



Komatsu is known for its cutting-edge technological innovations, such as iMC dozers and KOMTRAX. But, KAC President Max Moriyama says that providing "total solutions," such as iMC set-up and a Komatsu team to monitor KOMTRAX (above) and report to customers – that's what really sets Komatsu apart.



AT YOUR SERVICE

PREPARING FOR REPAIRS

Programs such as Firm Future Order help customers plan for needed work well in advance

You know a proactive approach to equipment maintenance is essential to its continued performance, production and efficiency. That's why planning ahead for repairs makes sense, and to help you do that, Komatsu distributors, such as Clairemont, have programs designed to fit your needs and your budget.

"Komatsu believes long-term planning for major repairs, such as component rebuilds and engine replacements, is vital," said Glenn Schindelar, Senior Marketing Manager. "It allows equipment owners to build those repairs into their budgets and know when a machine is going to be down and for how long. Our distributors have a number of excellent programs backed by Komatsu that provide assistance in planning to make those repairs cost effectively and with minimal downtime."

The Firm Future Order program fits nicely into that long-term planning, according to Paul Moore, Senior Marketing Manager. "Generally, a distributor's personnel and the customer will plan for the repair in a six-month window, so it allows for work to be done during the off-season or slower times. With Firm Future Order, once the customer makes the commitment to have the repairs or other work done, the parts pricing and delivery are locked-in to suit the customer's overhaul schedule. That allows them to better budget for the repair, minimize downtime and ensure their equipment is ready to go when it's needed the most."

Used in conjunction

Customers can use Firm Future Order in conjunction with other programs, such as the

Remanufactured Quality Assurance Program, the Komatsu Undercarriage Assurance Program for Replacement Undercarriage, and the Komatsu Rebuilds Program.

"Our distributors provide several options that are competitively priced, and in many cases, repairs can be financed at zero percent for up to 15 months through other programs such as the Parts and Service Note Financing," said Schindelar. "It's possible that a customer could take advantage of three, four or more programs at once, and we encourage them to contact their distributor to find out how." ■

Distributor programs backed by Komatsu allow equipment owners to better plan and budget for upcoming repairs. For information on the programs and how to take advantage of them, contact your product support representative or your nearest Clairemont branch.



Glenn Schindelar,
Senior Marketing
Manager



Paul Moore,
Senior Marketing
Manager



NEW WATER RESOURCES BILL

Legislation includes reforms to revolving fund, establishes program to attract private investment

Congress overwhelmingly passed and the President signed the Water Resources Reform & Development Act (WRRDA), which authorizes \$12.3 billion in spending throughout the next 10 years, including more than \$4 billion for water-resources infrastructure investment.

The bill includes reforms to the Clean Water State Revolving Fund and adds greater flexibility to the program. The Fund traditionally invests in sewer infrastructure, but it hadn't been reauthorized since 1987.

The legislation authorizes Army Corps of Engineers programs, including waterway- and watershed-management projects, such as construction of locks and dams. The bill accelerates project delivery by streamlining environmental reviews, sets hard deadlines and consolidates or eliminates duplicative studies.

The Water Resources Reform & Development Act (WRRDA) provides \$12.3 billion in spending throughout the next 10 years, including more than \$4 billion for water-resources infrastructure investment. It includes reforms to the Clean Water State Revolving Fund and authorizes Army Corps of Engineers programs, including waterway- and watershed-management projects.

"The release of this water-resources bill is yet another sign that investing in infrastructure is something members of both parties in both houses of Congress can and do support," said Stephen E. Sandherr, CEO of the Associated General Contractors of America. "Republicans and Democrats alike understand and appreciate the economic wisdom of improving our aging system on inland waterways, harbors, ports, locks and dams. They also clearly support adequately funding flood-control protection and coastal-restoration efforts. Additionally, the committee members support providing the necessary resources to maintain the federal Harbor Maintenance Trust Fund's solvency and help shore up state revolving-loan funds that finance investment in clean water systems."

Paves the way for highway bill

WRRDA establishes a Water Infrastructure Finance Innovations Authority to provide credit assistance for drinking water, wastewater and water-resources infrastructure projects. The five-year pilot program is designed to attract substantial private and non-federal investments to water-infrastructure projects and is modeled after the successful Transportation Infrastructure Finance and Innovation Act used for surface transportation.

"In addition to providing much-needed funding for navigation and dam projects, the completion of the WRRDA bill is significant because it clears the way for House Transportation & Infrastructure and Senate Environment and Public Works Committee members to focus their full attention on saving the federal highway program," said the Associated Equipment Distributors. ■

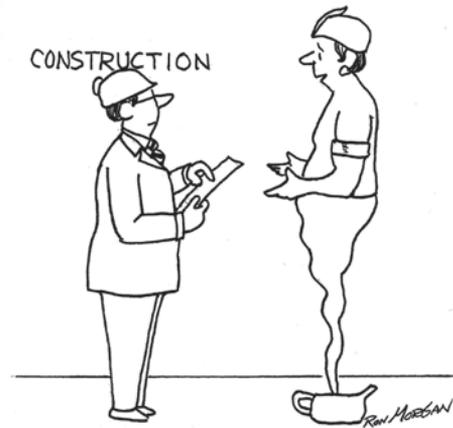


SIDE TRACKS

On the light side



"Will thou love her, cherish her and put her on our affordable health plan?"



"Sorry, but I can't make any promises on any wishes that have anything to do with the government."



"I'm taking you out, Phelps. That homer you gave up is going viral on twitter."

Did you know...

- The highest temperature ever recorded in the continental United States was 134 degrees on July 10, 1913, in Death Valley, Calif.
- It took 214 crates to transport the Statue of Liberty from France to New York in 1885.
- Clark Gable, who played Rhett Butler in "Gone With the Wind," starred in more than 90 films in 30 years.
- Dr. Seuss wrote "Green Eggs and Ham" after his editor dared him to write a book using fewer than 50 different words.
- The Eiffel Tower was built for the 1889 World's Fair.
- A "blue moon" is the second full moon in a calendar month, yet it is rarely blue.
- Wrigley's promoted its new spearmint-flavored chewing gum in 1915 by mailing four sample sticks to each of the 1.5 million names listed in U.S. telephone books.
- The Goodyear blimp made its first appearance at the 1960 Orange Bowl.

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. I T E S _ _ I _ _ _
2. W R E P O _ _ _ W _ _ _
3. L A D E R E D _ _ _ _ _
4. L I R U D E B B _ _ _ _ _ R
5. R N O T E C E C C _ _ _ C _ _ _

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