



TRACTOR & EQUIPMENT COMPANY

TRACTOR TIMES

A publication for and about our customers in AL, FL & GA • 2010 No. 1

ROCKDALE PIPELINE INC.

Large pipe-laying projects are the specialty of this Atlanta-area company

See article inside . . .



Paul Duncan,
CEO



Kenneth Richardson,
President



Myrtle Richardson,
Partner

KOMATSU

A MESSAGE FROM THE PRESIDENT



Dan Stracener

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Dear Equipment User:

At TEC, we're proud of the manufacturers with which we've aligned ourselves. They are some of the most innovative and technologically advanced in the marketplace, which equates to you being able to get more done at a lower cost.

Komatsu has always been on the leading edge when it comes to making such equipment, and in this issue of your *Tractor Times* magazine, that's more apparent than ever. We believe you'll find the article on the Hybrid excavator and the technology behind it very interesting and an insight into what the future holds for construction equipment.

Because the Hybrid excavator isn't designed for every application, Komatsu continues to manufacture other products designed to keep your bottom line in check, such as the new D21 dozers and the CD110R crawler carrier, also featured in this issue.

Backing up such equipment with outstanding service is essential, and Komatsu helps with that too, by offering technicians numerous ways to improve their skills. We're dedicated to ensuring that our service personnel are among the industry's best by taking advantage of these offerings as well as those available from our other manufacturers.

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

Sincerely,

A handwritten signature in black ink that reads 'Dan Stracener'. The signature is fluid and cursive, written over a light background.

Dan Stracener
President



TRACTOR & EQUIPMENT COMPANY

TRACTOR TIMES

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NEW PRODUCTS

Learn all about Komatsu's revolutionary Hybrid PC200LC-8 excavator that can save up to 41 percent on fuel compared to conventional PC200 models.

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A SALUTE TO A CUSTOMER

MCDONALD BROTHERS CONSTRUCTION, INC.

This family-owned site-prep contractor creates a foundation for growth for Madison County, Ala., businesses



S.O. McDonald,
President



Dell McDonald,
Vice President/
General
Superintendent



Mike Propst,
Project Manager/
Estimator

While many parts of the country have been languishing under a slow economy, Huntsville and other cities located in Madison County, Ala., are experiencing a boom in commercial construction. It's a situation that McDonald Brothers Construction is well-positioned to take advantage of.

"Huntsville is known as Rocket City because of the many high-tech engineering, missile defense and NASA operations located here, along with the Redstone Arsenal," explained Dell McDonald, a part-owner of McDonald Brothers Construction, who also serves as Vice President and General Superintendent. "Huntsville, where our company is based, has been continuously growing and we're proud to be a part of that."

It's also been a steady climb up for McDonald Brothers, which began modestly when Dell's father, S.O. McDonald, and S.O.'s brother Charles founded the company in 1961. "The operation started out as a general contractor specializing in heavy and utility construction," Dell noted. "In 1984, Dad and my mother, Frances, bought out Uncle Charles and changed the company focus to commercial site preparation."

That was a good move for McDonald Brothers. At the time Dell's parents took over

operations, they had 15 employees; now there are between 100 and 120 employees, depending on the work load and season.

"We do underground utilities, water and storm sewers, curb-and-gutter work and concrete work," listed Dell. "We also handle all the grading, hauling, on-site filling and compacting — everything but paving, which we sub out."

McDonald Brothers Construction has completed a number of large, high-profile projects in the area, including work for Sam's Club, Valley Bend in the Jones Valley Shopping Complex, Regal Mercedes-Benz, Dynetics Corporation's headquarters, J.F. Drake Library, Hilton Gardens hotel, Huntsville Hospital Urgent Care facility and the Huntsville High School. Currently, the company is at work on the new Madison Hospital, the new Catholic high school near Research Park, Bell Grove subdivision in South Parkway and the Alabama Super Computer expansion.

The company also does jobs for many longtime customers. "We have 10 or 12 homebuilders who call regularly wanting a load of gravel, or needing to have a house pad cleared," said Dell. "I learned from my dad that those people got us where we are today, and if they need help, we go do what they need."

A family operation

Making sure that happens are Dell, his father S.O. McDonald, who is President, and S.O.'s nephew Mike Propst, who serves as Project Manager and Estimator. All three are partners in the business. The company has a number of longtime employees, including Ollie Evans,

McDonald Brothers Construction is located in Huntsville, Ala., and does the majority of its commercial site-prep work in Madison County.





One of the most versatile machines in the McDonald Brothers fleet is this Komatsu WA250PZ parallel tool carrier.



A McDonald Brothers operator uses this Komatsu D51PX-21 to fine grade a jobsite.

a 44-year veteran of McDonald Brothers who has done everything from hauling, drilling and shooting dynamite to running rollers. Operator Clyde Morrison has for years run everything from excavators to motor graders and wheel loaders.

“I’ve known many of these guys my whole life; I grew up around them,” Dell pointed out. “They are just like family to me.”

Equipment vital to operations

McDonald Brothers relies on its family of employees and a vast equipment fleet to answer customers’ needs. Dell says the company has 62 pieces of earthmoving machines and 75 support vehicles, including pickups, dump trucks and tractor trailers. Komatsu units are prevalent in the heavy equipment fleet, and include excavators ranging in size from compact PC35 MR-3s to PC200LCs and a PC300-LC, along with D39PX, D51PX and D65EX dozers, WA250PZ parallel tool carriers, and a WB146 backhoe loader. McDonald Brothers purchased the equipment from TEC’s Decatur branch with the help of Sales Representative Steve League. League has been working with McDonald Brothers for 30 years.

“We’ve always been very pleased with Komatsu equipment and the service that TEC provides,” acknowledged Dell. “I remember when I first started driving, I’d go over to TEC in Decatur to pick up parts. I got to know people in the parts and service department really well and we’ve maintained that good relationship.”

The company also has a fleet of Dynapac rollers from TEC, composed of two CA150Ds, two CA150PDs and two CA250PDs. Dell recalled that in 1982, McDonald Brothers purchased the first Dynapac roller sold in northern Alabama. “Dad bought a CA15PD that cost \$50,000 at the time. It really revolutionized dirt compaction. It worked so well, we kept buying them.”



McDonald Brothers has two PC35MR compact excavators that are particularly useful when working in small spaces and close to fence lines.



This McDonald Brothers Dynapac CA150D is at work compacting dirt on one of the company’s jobsites in Madison County, Ala.

Hard work = success

With a dedicated and experienced staff, along with the right equipment, McDonald Brothers has grown and thrived throughout the years. Dell attributes much of that success to his father and the hard work he put into the company. “Everything I have today — my house and all I own — is from the hard work and dedication he devoted when we first started out in this business. He eats, sleeps and lives it. My mother also made some good business decisions when she worked for the company, and that helped bring us where we are today.

“People frequently ask me when my dad is going to retire,” Dell continued. “I tell them I don’t know and I don’t care. I don’t want him to retire. He can stay here as long as he wants because this company is his baby.” ■

ROCKDALE PIPELINE INC.

Large pipe-laying projects are the specialty of this Atlanta-area company



Paul Duncan,
CEO



Kenneth Richardson,
President



Myrtle Richardson,
Partner

Rockdale Pipeline has become one of the leading pipe-laying contractors in the Atlanta area, but success didn't come easily and didn't happen overnight. When company founder and CEO Paul Duncan first went into business installing residential service laterals back in the early 1970s, he still had a full-time job, so he did Rockdale projects on a part-time basis in the evenings and on weekends. "During that time, my wife, Jo, would come in and run the office," Duncan recalled. "This was a family operation from the very beginning.

"I can't say I ever specifically had a plan for Rockdale Pipeline to become a large company," continued Duncan. "My goal was to do each and every project to the best of my ability and give my customers what they wanted — a good job at a fair price. By doing that, we developed a reputation as a reliable, trustworthy contractor, which in turn earned us more business. As a result, we've been able to progress steadily by growing a little bit every year."

Today, Rockdale Pipeline employs about 100 people. Headquartered in Conyers, Ga.,

in Rockdale County, the company will work throughout the Southeast, but it prefers to stay primarily in the greater Atlanta area. Its specialty is laying water, sewer and storm lines, often on large, multimillion-dollar municipal utility projects.

"Laying pipe is our bread and butter," observed Duncan. "We'll do a pumping station if it's part of a pipe job, but putting the pipe in the ground is where we really shine. The larger, the more difficult and the more complex a project is, the better it seems to suit us. We're very competitive price-wise on the big jobs because we have the expertise required to do them efficiently and we either have the equipment we need or we're willing to go out and get it."

A family business

Rockdale Pipeline is very much a family business. In 1982, Duncan and his brother-in-law O.D. Richardson, who, at the time, had his own construction company, joined forces in a 50/50 partnership. O.D. dissolved his company and merged with Duncan creating a larger, more powerful Rockdale Pipeline.

Today, Duncan serves as CEO of Rockdale Pipeline. Richardson's widow, Myrtle, remains a partner and her son, Kenneth Richardson, is President. Other family members also play key roles. The Richardsons' daughter, Shirley Cooley, serves as Vice President. Arthur Richardson is a Superintendent. Paul Duncan's son, Rickey, and daughter, Charlotte Garrett, are both Project Managers.

"Some people think it's difficult to work with family, but I disagree," Duncan maintained. "Family is going to be with you and support you through thick and thin. They're more devoted to the company and

From its headquarters in Conyers, Ga., Rockdale Pipeline does large-scale utility work in metro Atlanta and throughout the Southeast.





This Rockdale Pipeline crew uses a Komatsu PC308 tight-tail-swing excavator to lay pipe in an Atlanta neighborhood. “A large percentage of our equipment fleet consists of Komatsu machines,” said CEO Paul Duncan. “The equipment itself is productive and we appreciate the support we get from Tractor & Equipment Company.”

more committed to making sure it’s successful. So, I think it’s easier to run a business when family is involved — plus I enjoy it more.”

In addition to family members, Rockdale Pipeline also relies on talented and dedicated employees throughout the work force, including General Manager Dan Stevens.

“Some places have people who come and go — we have people who come and stay,” noted Duncan. “We’re very proud of our managers and our pipe crews. We think they stack up favorably to any crews in the business.”

Big jobs

Rockdale Pipeline has completed many large water and sewer jobs, not just in Atlanta, but throughout the Southeast, and has even gone as far as Dallas, Texas, for jobs.

“The first big job we did was in 1984, a couple of years after O.D. and I got together,” Duncan recalled. “It was called Deep Creek in south Fulton County. When we got it, we were kind of a newcomer and I think there might have been some skeptics who questioned whether we could handle a job of that magnitude — but we completed it on time and on budget. From that time on, we’ve been willing to tackle just about anything.

“At the Dallas job, we installed 108-inch pipe, which was the largest-diameter pipe we

had ever worked with,” he noted. “We also had a large job in Tampa, Florida, installing 84-inch pipe that was 50 feet long. We had to buy a 100-ton excavator specifically to be able to handle pipe of that size, but we don’t have any problem doing that. We’re willing to bid a job, then if we need specialized equipment, that’s fine — we’ll go out and get it.”

Rockdale Pipeline’s largest job to date was a \$93 million sewer separation project for the city of Atlanta. “It was a two-and-a-half-year job to separate sewer water from storm drain,” Duncan noted. “It included replacing a lot of sewer and water lines and along with that, rebuilding the streets with new curb and gutters. We finished it up about a year ago.”

Taking on large, long-term jobs like that is second nature to Duncan, who says he’s always been an optimist regarding his and his company’s capabilities.

“I’ve never even thought about there being a job that we couldn’t do. Some are a little tougher than others, but we’re convinced we can do nearly anything when it comes to putting pipe in the ground. We’ll go wherever the job is and do whatever needs to be done to complete it on time and on budget. If we need more people, we hire them. If we need more equipment, we get it. Whatever it takes, that’s what we do.”



Shirley Cooley,
Vice President



Charlotte Garrett,
Project Manager



Rickey Duncan,
Project Manager



Arthur Richardson,
Superintendent

Continued . . .

Rockdale Pipeline delivers value to clients

... continued

Reliable equipment and dealer support

For equipment to do those big jobs the company is known for, Rockdale Pipeline turns primarily to Komatsu machines from Tractor & Equipment Company.

"We have Komatsu wheel loaders (WA250s up to WA500s), dozers (mostly D61s) off-road trucks and hydraulic excavators," said General Manager Dan Stevens. "I'd estimate we probably have about 70 pieces total and roughly half of those are excavators. Komatsu

equipment has worked very well for us through the years. It's reliable, productive and it lasts a long time."

Rockdale Pipeline has Komatsu excavators ranging from a compact PC78 up to a PC750, including numerous tight-tail-swing machines such as the PC308. "We really like the Komatsu zero-tail-swing excavators because we frequently work in tight conditions in downtown Atlanta and elsewhere," explained Stevens. "They allow us to be more productive in those situations, and save us wear and tear on the equipment because we're not banging the back end when we swing around."

In addition to the equipment itself, Duncan and Stevens say they appreciate the support they get from TEC and their salesman, VP/Regional Sales Manager-GA Tim Aiken. "Tim's the best," acknowledged Duncan. "We have total faith and trust in him and everybody at TEC. They stand behind their products and provide the support we need to be successful."

"The bottom line is, we get great productivity from the Komatsu machines and great parts and service from TEC," added Stevens. "We do most of our own repairs and maintenance in-house, but when we need TEC, they respond quickly and efficiently, and that's very important to us."

Providing value for customers

Like many construction companies, Rockdale Pipeline has felt the impact of the economic downturn. At its peak a couple of years ago, the company employed about 200 people. Today, its work force is approximately half that.

"It's been difficult, but we believe better days lie ahead," said Duncan. "I think we're going to start seeing improvement this year. Of course, it's going to take some time to get back to where we were, but eventually, we'll get there."

"I think the key for any business is to take care of its customers and do each job to the best of its ability," he added. "That's true in good times and bad, and it's certainly what we do. As long as we continue to provide value to our clients, we should be able to get our fair share of available projects and we hope to be able to build on that as we move forward." ■



Rockdale General Manager Dan Stevens (left) works with TEC VP/Regional Sales Manager-GA Tim Aiken on equipment needs. "We get great performance from Komatsu machines and great parts and service from Tractor & Equipment," said Stevens.

Rockdale Pipeline recently completed its largest job, a \$93 million sewer separation project for the city of Atlanta. "The larger and more difficult the job, the better it seems to suit us," said CEO Paul Duncan. "We have the expertise, and we either have or are willing to get whatever equipment we need to do the job efficiently."





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GUEST OPINION

A LONG-TERM APPROACH

The U.S. highway infrastructure needs more than another short-term stimulus



Brandon Borgna

Brandon Borgna is Communications Manager for the American Trucking Association (ATA), the largest national trade association for the trucking industry. ATA represents more than 37,000 members covering every type of motor carrier in the United States.

Industry groups such as the American Trucking Association are pushing Congress for a long-term approach to meeting the needs of the nation's infrastructure.

The U.S. Government has allotted more than \$20 billion of the \$26.6 billion available for highway, road and bridge projects as part of the American Recovery and Reinvestment Act. While these funds have prompted a short-term focus on infrastructure projects, the funding represents just 3.3 percent of the total \$787 billion stimulus package enacted by the White House last year. This small amount will do little to address the dire need for expansion and repair of our National Highway System.

Our nation needs a much larger, long-term investment in highway infrastructure. By 2020, economists expect more than a 26-percent increase in overall freight tonnage. Our nation's ability to efficiently move this freight will have a tremendous effect on our economy. Inefficiencies currently plague our transportation system. The Texas Transportation Institute's 2009 Urban Mobility Report (based on a 25-year study from 1982 through 2007) stated that in 2007 alone, Americans wasted \$87 billion in the form of 2.8 billion gallons of fuel and 4.2 billion hours because of traffic congestion. This cost will only go up as the economy rebounds and freight traffic increases.

Implementing a national approach that first addresses the nation's worst traffic bottlenecks, as listed by the Federal Highway Administration, will improve the flow of freight and have the greatest benefit for taxpayers. As proposed in the House Surface Transportation Authorization Act, a national strategic plan that defines the federal role in meeting transportation needs will improve delivery of infrastructure projects by primarily investing in those of national importance. Also, the federal government should tie infrastructure investment to system performance by requiring recipients of federal funds to meet performance standards for safety, infrastructure condition, congestion reduction and emissions.

Meeting the transportation challenges of the 21st century is critical to the long-term prosperity of the United States. As our population and economy grows, a national transportation policy that focuses on efficiency, congestion reduction and the improvement of freight movement around our nation's worst bottlenecks will facilitate economic growth and help our industries compete in the global economy. ■





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LOOKING AHEAD

OUTLOOK 2010

Finally, construction can see some light at the end of the recession tunnel

For the first time since 2006, construction starts are on the rise. McGraw-Hill Construction is forecasting an 11 percent increase in construction starts in 2010. Industry observers hope the upturn signals that the market has reached bottom and that the worst is over.

“At the very least, (the figures show) we are stabilizing after years of steep declines,” McGraw-Hill Chief Economist Robert Murray told Engineering News Record. “This is not a booming market; (but) it is ... inching upward.”

The McGraw-Hill forecast on construction starts reverses a three-year period during

which construction starts declined by 7 percent, 13 percent and 25 percent annually. Total construction activity is down 39 percent from its peak at mid-decade.

Construction put-in-place

The McGraw-Hill numbers appear to be more optimistic than some other construction economic forecasting groups. That’s because it measures construction “starts” rather than construction “put-in-place” — and starts tend to be more forward-looking. The organizations that measure put-in-place forecast significant improvement compared to 2009, but they’re not yet projecting growth.

For example, the U.S. Department of Commerce predicts total construction will drop another 2 percent this year (compared to a 10-percent drop in 2009). Industry forecasting firm FMI predicts a 5-percent decline in total construction in 2010 (compared to what it expects will be a 14-percent drop in 2009). Portland Cement Association likewise is calling for a 3-percent decline in 2010 (compared to 17 percent in 2009).

Yet another group, Reed Construction Data, expects little change in overall construction activity for much of the year, but a turn to expansion late in 2010.

Housing to pick up

It’s often said that housing will lead a recovery, and that may be happening this year. McGraw-Hill is forecasting a 30-percent increase in housing starts in 2010 to a total of 560,000.

The National Association of Home Builders (NAHB) is also optimistic, predicting single-family housing will increase 35 percent this year to 600,000 starts. “Things will start picking up again by summer,” Bernie Markstein,

Road and bridge construction is expected to be a bright spot in 2010. One industry group is forecasting 8 percent growth this year.





Director of Forecasting at NAHB told ENR. "It looks like the market has hit bottom, and now it is going to be a long, slow dig out of this."

NAHB is even more bullish on 2011, predicting there will be almost 900,000 single-family housing starts next year. Though far from the record 1.6 million starts recorded in 2005, that figure would nearly double the number of starts (445,000) in 2009.

Public works increasing

Another area of strength is public-works spending, including transportation, sewer and water projects. McGraw-Hill expects public works construction to rise 14 percent this year.

The American Road & Transportation Builders Association (ARTBA) expects the highway construction market to grow 8 percent to more than \$90 billion in 2010.

ARTBA Vice President of Policy & Economist Alison Premo Black attributes the increase in part to the American Recovery & Reinvestment Act (also known as the economic stimulus program), but cautions that long-term success depends upon reauthorization of the multi-year federal surface transportation bill and future economic growth.

"The best scenario would be a strong reauthorization of the federal highway and transit program and real economic growth that helps spur state and local investment," said Black. "Under this ideal situation, we could see real market growth approaching \$118 billion in 2015."

According to ENR, another sector that will benefit from increased government spending in 2010 will be water infrastructure funded through the Environmental Protection Agency. Water work is slated to receive nearly \$5 billion, which includes \$2.1 billion to Clean Water State Revolving Funds and \$1.4 billion to drinking-water SRFs.

Recovery in place

The construction economy, of course, does not exist in a vacuum. The nation's overall economic condition, specifically creating jobs and increasing gross domestic product (GDP), are crucial to the health of the construction economy. Almost all forecasters see improvement in 2010, from a low end of 2-percent growth to a high end of 5-percent growth.

Chris Varvares, President of the economic consulting firm Macroeconomic Advisors, told CNBC.com that he expects 4-percent GDP growth this year, but cautions, "You have to remember that you're starting from a low base. We're getting a snapback that, when judged with those from other deep recessions, is pitiful." He compares the economy to an intensive care patient recovering from a near fatal auto accident.

Another economist, Nariman Behravesh, Chief Economist at Global Insight, forecasts lower growth, in the range of 2 percent to 2.5 percent. "Sure, there are a lot of tailwinds, a lot of pent-up demand. All that means is that there is a recovery in place that is sustainable but not strong."

Both the National Association of Business Economists and the White House are calling for GDP growth of 3.2 percent in 2010. ■

It appears that housing starts have finally bottomed out following four consecutive years of declines. The National Association of Home Builders forecasts a 35 percent increase to about 600,000 starts in 2010.

IMMEDIATE-IMPACT PROJECTS

Transportation officials say they have nearly \$70 billion worth of “ready-to-go” projects

In an effort to boost transportation spending, officials have identified nearly \$70 billion in new highway, bridge, port, rail and aviation projects that are “ready to go,” meaning work could begin within 120 days of federal approval and legislation. The transportation officials claim the projects could create hundreds of thousands of jobs.

The report from transportation officials came at the same time an Associated General Contractors (AGC) analysis showed a \$15 billion decline in federal investments in highway and transit systems in 2010 compared to last year. According to the analysis, including federal transportation and stimulus funding, the federal government invested

Surface transportation officials have identified nearly \$70 billion worth of “ready-to-go” projects that can be started in 120 days or less with federal approval. They’re looking to build from the momentum created by stimulus funding, which has approved more than \$30 billion in projects so far.

\$78.6 billion in road and transit jobs in 2009. That’s expected to slip to \$63.4 billion this year.

Not helping matters is the lack of a new surface transportation bill to replace SAFETEA-LU which expired in September of 2009 without a new plan in its place. Stopgap measures have provided some funding. A six-year surface transportation bill was proposed by the House Transportation and Infrastructure Committee to provide as much as \$500 billion, but it’s been put on hold for now.

“Boosting transportation investments will keep thousands of construction workers employed at a time when our economy can scarcely afford layoffs,” said AGC Chief Executive Stephen Sandherr. “The success of the stimulus in saving countless construction jobs will be in vain if its sequel is underinvestment in our roads, bridges and transit systems.”

“Keep the momentum”

More than 10,000 transportation projects totaling more than \$30 billion have been approved for funding under the stimulus plan — The American Recovery and Reinvestment Act — many of which are nearly or are already completed.

“We need to keep the momentum going,” said John Horsley, Executive Director of the American Association of State Highway and Transportation Officials (AASHTO), who was among those who identified the “ready-to-go” state projects. “There is still a need to invest in transportation projects if that’s what it takes to create jobs and bring unemployment down. What the state DOTs have done over the past months to put economic recovery dollars to work shows there is no better way to create jobs and longlasting benefits in every part of the country.” ■



DEMO DAYS UPDATE

LOOKING AT THE FUTURE

Demo Days attendees take first peek at Komatsu's new hybrid excavator

Attendees of Komatsu's latest Demo Days were among the first to see and operate the company's latest innovation: the Hybrid PC200LC-8 excavator. It was one of more than 25 pieces of equipment highlighted during the event at Komatsu's Training and Demonstration Center in Cartersville, Ga.

Demo Days marked the North American public launch of the hybrid excavator (see related story), which debuted to much praise. Attendees also appreciated the chance to operate everything from a PC88MR-8 compact utility excavator to a D275AX-5 dozer with Komatsu's patented Sigma blade.

"This is a chance for customers to see the solutions and innovations Komatsu has to offer," said Bob Post, Director of Marketing Communications and Sales Training, who noted that for the first time, Komatsu used its Learning Management System (LMS) to register attendees. "Komatsu dealers do demonstrations, but often that's only one machine. Here, customers get to see and try first-hand our broad product line."

That product line included not only excavators and dozers, but wheel loaders, articulated and rigid-frame haul trucks, a motor grader, skid steer and compact track loaders, a CD110R-2 crawler carrier and a BR580JG crusher.

In addition to operating machinery, many attendees took advantage of Cartersville's close proximity to Komatsu's Chattanooga Manufacturing Operations (CMO) by touring the plant where excavators and articulated trucks are built. There were also educational seminars on a variety of topics.

For more information on Komatsu equipment, contact your sales representative or visit our nearest branch location. ■



Harold Rose (left) and Todd Childers, both of Jefferson County



John Easterwood (left) of Cullman County Road Department and TEC's Don BURGREN



Cecil Calvert (left) of Jefferson County and TEC's Mike Holleman



TEC's Butch Davis (left) and Rodney Payton of Chilton Contractors



(L-R) Jeff Hadley, Wayne Willingham and Sam Schaffer of Cullman County Road Department



Attendees could not only see the latest Komatsu equipment, but operate it as well, including the new WA50-6 utility wheel loader.

NEW PRODUCTS

NEW HYBRID EXCAVATOR

Komatsu unveils the future of excavation with its revolutionary Hybrid PC200LC-8



Dave Grzelak,
CEO and Chairman,
Komatsu America



Armando Najera,
Product Manager
Excavators

By now you've probably seen hundreds of cars with a green leaf on them indicating they use hybrid technology. You may have even wondered when that technology would be available in construction equipment. The answer is now, with the launch of Komatsu's new Hybrid PC200LC-8 excavator.

Komatsu is the first manufacturer to commercialize a hybrid excavator, and has been for more than a year. Komatsu's unique Hybrid controller synchronizes the conventional diesel engine and hydraulic pumps with electric assist that uses energy that's wasted in conventional machines. The Hybrid PC200LC-8 works on the principle of regeneration and energy storage using the

Komatsu Ultra Capacitor system that turns the stored energy into power transmission.

"This is similar to hybrid car technology," explained Armando Najera, Product Manager Excavators. "Hybrid cars use batteries that capture energy from the brakes when the car slows down. The difference is the Hybrid PC200LC-8 captures energy during the swing brake and stores it in the Ultra Capacitor. The Ultra Capacitor works in harmony with the engine, providing a seamless experience for the operator. Each time the upper structure slows down, energy is created and stored, then used to assist the engine. The result is greater fuel economy versus a conventional machine."

Najera points out that the more the upper structure rotates, the greater the efficiency. "Any application where the machine has to rotate frequently, such as mass excavation and utility trench digging, are ideal for the Hybrid. Each time the upper structure slows down, more energy is sent to the Ultra Capacitor and is available to assist the engine."

Actual customer trials have shown fuel savings of 25 percent to 41 percent when compared to a conventional PC200LC-8.

"Obviously, the fuel savings depend on the application, but our testing shows significant fuel reduction under a variety of applications," said Dave Grzelak, CEO and Chairman of Komatsu America. "There's also a significant reduction in CO₂ emissions with the hybrid. Compared to a conventional PC200LC-8, our data show that during the course of 2,000 hours — a fairly typical number of hours put on an excavator in

Brief Specs on the Komatsu Hybrid PC200LC-8 Excavator

Model	Operating Weight	Net Horsepower	Bucket Capacity
Hybrid PC200LC-8	43,643-47,260 lbs.	138 hp	0.66-1.57 cu. yd.

Truck loading and trench digging are ideal applications for the Hybrid PC200LC-8, according to Product Manager Armando Najera. "The more the upper structure rotates, the more energy is sent to the Ultra Capacitor and is available to assist the engine, resulting in greater fuel economy versus a conventional machine."



a year — the hybrid emits up to 25 tons less. That's equivalent to taking nearly 600 5,000-gallon tanker trucks off the road. That's something to be very excited about."

A very efficient system

Komatsu's Hybrid PC200LC-8 reduces fuel consumption and emissions thanks to innovative technology that captures previously wasted energy and converts it to electricity that can be used to power the machine. Unlike conventional excavators, which use a hydraulic motor to rotate the upper structure, the Hybrid employs an electric swing motor that captures the energy that is normally wasted during swing braking.

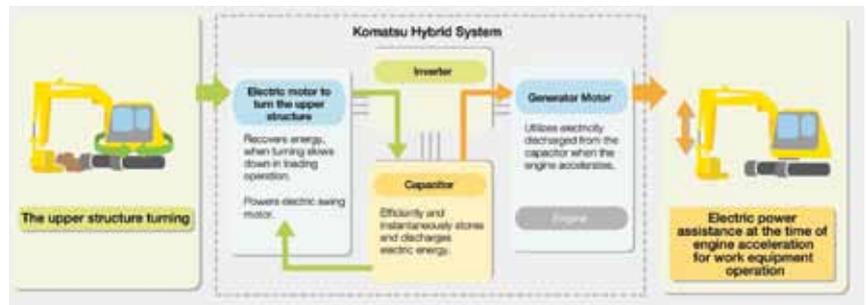
The energy goes through an inverter that changes it from AC to DC and quickly stores it in the Hybrid PC200LC-8's Ultra Capacitor where it remains available until needed to power the swing motor or to assist the engine to create hydraulic power.

In addition to the swing motor, inverter and Ultra Capacitor, the Hybrid PC200LC-8 uses a built-in generator motor between the engine and the hydraulic pumps for effective transmission of energy to the pumps. The generator can charge the Ultra Capacitor during periods when no work or travel operations are used. The generator motor also receives power from the Ultra Capacitor for engine assist.

"It's a very efficient system," affirmed Najera. "Think of the Ultra Capacitor like a balloon that's taking in air as it's being blown up. In this case the air represents the energy being stored in the capacitor. When a balloon pops, the air rushes out. The Ultra Capacitor works the same way in that it releases energy instantaneously when it's needed. Side-by-side, the Hybrid has the same digging force and performance levels as a standard machine, while using less fuel and reducing emissions."



In a side-by-side comparison with a standard PC200LC-8, the Hybrid PC200LC-8 performed the same amount of work with a fuel savings of more than 30 percent. Komatsu's data, gathered over nearly two years, shows the Hybrid can save upward of 40 percent, depending on the application.



Monitor displays status of stored energy

Similar to a standard PC200LC-8, the Hybrid has a seven-inch LCD monitor that displays valuable information regarding machine location, utilization, hours and service intervals. It also comes standard with Komatsu's KOMTRAX remote machine-monitoring system

In addition, the operator and owner can see energy flow on the "Hybrid Operation Monitor" as the machine operates. Users can change the monitor to display status of the Ultra Capacitor charging and discharging and engine assist by the generator motor as energy flow.

"The Hybrid is another aspect of Komatsu's overall commitment to produce the most efficient and environmentally friendly equipment," said Grzelak, who noted that hybrid technology is not new to Komatsu, which has been producing hybrid forklifts for a few years. "The Hybrid PC200LC-8 is a revolutionary product that's already been proven in the field to reduce fuel consumption without a reduction in productivity." ■

To watch the new Hybrid PC200LC-8 excavator in action, go to www.komatsuamerica.com and click on the "Find out about Komatsu Hybrid Excavator" link.



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UTILITY PRODUCTS

THE VALUE OF SMALL DOZERS

Komatsu's smallest dozers are powerful, versatile machines for special work

The ability to push mass amounts of dirt with a powerful dozer is great for large jobsites, but there are times when only a smaller machine is viable or necessary. Komatsu makes a wide range of dozers for a broad variety of applications, including the D21A-8 and D21P-8 that are perfect for small and fine-grading work.

"The D21 dozers are the smallest Komatsu makes and are unrivaled in their size class," stated Product Manager David Caldwell, pointing out that the competition's smallest dozers are nearly twice the size of the D21. "Customers who use them find D21s terrific in urban areas and tight quarters. They make great finish dozers. Because of the compact size, they're easily transportable with a skid steer or two-axle trailer, so they're highly mobile."

Caldwell noted that the D21's compact size isn't a hindrance when it comes to pushing power. It's equipped with an efficient hydroshift transmission that offers powerful traction and smooth gear shifts, even at partial throttle.

Long tracks contribute to a well-positioned center of gravity that gives the D21 good balance, making grading on slopes easy. Three undercarriage options are available — a single grouser is standard — including optional high-flotation "swamp" pads and rubber tracks.

"Many customers use rubber tracks because it allows them to move on city streets and in otherwise sensitive areas such as historic districts," said Caldwell. "They also like that other options can be added, such as a three-point hitch and a separate hydraulic system which can be used to power a winch. So, not only do you get a machine that works as a good dozer, but versatility for other applications as well."

Six-way blade

Caldwell said in dozing applications, the D21 stands out with its eight-foot five-inch, six-way blade. "The six-way blade allows users to move dirt in almost every direction, and the cab design allows for great visibility of the blade and material," said Caldwell. "The blade is controlled by one joystick, while a second joystick controls all speed and direction.

"The two-joystick ease of operation provides more precise control and response for faster cycle times," he added. "And, when maintenance is needed, we simplified that too, with such features as spin-on filters throughout the machine for quick and easy service." ■



David Caldwell,
Product Manager

Brief Specs on Komatsu D21A-8 & D21P-8 Dozers

Model	Net Horsepower	Operating Wt.	Blade Capacity
D21A-8	40 hp	8,690 lbs.	0.75 cu. yds.
D21P-8	40 hp	9,350 lbs.	0.89 cu. yds.

Komatsu's D21 dozers are the smallest in its lineup and work well in tight quarters and fine-grading applications.



For more information about the D21 dozer and to see video of the machine in action — go to www.videocpi.com





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MORE UTILITY PRODUCTS

KOMATSU'S CRAWLER CARRIER

Unique features make this a go-to machine for jobs other haulers just can't do

The ability to haul on-site materials in all types of ground and weather conditions can have significant advantages on many jobs. Komatsu's CD110R-2 crawler carrier allows you to do that, even in the most adverse situations.

The CD110R-2 crawler carrier combines the features of a truck — a cab and dump box upperstructure — with an excavator-like undercarriage. The cab and dump box rotate 360 degrees, allowing dumping at any angle with minimal site impact, even in wet and swampy areas or on steep slopes.

"With minimal ground disturbance, you can keep working in conditions where a standard truck would probably bog down," explained Robert Beesley, Product Manager for Komatsu Utility Marketing Division. "The CD110R-2 offers low ground pressure. You don't have to stop work, which means you can complete projects more quickly."

Projects where the CD110R-2 really stand out include marsh/creek maintenance, creek/stream restoration, road building in forestry applications, reclamation of lakes, riprap installation for bank protection, pond building, hauling gravel for wetlands, pipe installation along forestry roads and golf course building.

"Practically anywhere the conditions are adverse, you'll find the CD110R has the ability to overcome them," said Beesley, noting that the undercarriage design reduces the accumulation of mud, snow and other materials that can adversely impact track and frame life. "It allows for faster climbing on steep slopes and reduced slippage in wet conditions. Rubber tracks provide longer shoe life, and the tread pattern helps maintain drawbar pull in forward and reverse."

A wealth of uses

Operators appreciate the large ROPS/FOPS cab with a low-effort joystick that controls rotation of the upperstructure and easy-to-operate foot pedals to control travel, direction and bed dumping.

"Because the upperstructure can be fully rotated, operators can position the dump body at any angle for loading and unloading, without moving the tracks," noted Beesley. "As an example, they could run the tracks parallel to a trench and dump rock directly into it. That's a unique feature that users find very convenient. There are a wealth of possible uses for the CD110R-2." ■



Robert Beesley,
Product Manager

Brief Specs on Komatsu CD110R-2 Crawler Carrier

Model	Net Hp	Empty Weight	Payload
CD110R-2	244 hp	34,390 lbs.	24,250 lbs.

Komatsu's CD110R-2 crawler carrier has the ability to work in adverse conditions where other machines may bog down. It features a fully rotating upperstructure for loading and dumping at any angle.



For more information about the crawler carrier and to see video of the machine in action — go to www.videocpi.com





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MACHINES ON DISPLAY

KOMATSU AT ICUEE

Utility machines are the stars of this biennial equipment expo

Held every other year, the International Construction and Utility Equipment Expo is a great way to test all types of Komatsu utility machines. The most recent ICUEE was held last fall at the Kentucky Exposition Center in Louisville, Ky.

Komatsu had all types of utility equipment at the show including the WB146 backhoe loader, the CK30 compact track loader, the WA50 compact wheel loader, and the PC88 and PC38 compact hydraulic excavators.

“Even if they haven’t used Komatsu utility equipment, contractors know the Komatsu name and respect the fact that it’s a leader in construction and mining machinery,” said Komatsu Utility Product Manager Bob Beesley. “So when they see we make the small equipment too, they’re willing to try it because of the reputation.

“Once they do try it, they discover it’s built with the same dedication and attention to detail as the larger Komatsu units,” he noted. “We don’t just purchase pieces and parts that fit. Everything that goes on our utility machines is designed from the outset to work together

for maximum performance. For example, the hydraulics, for which Komatsu is known, are the same as on our full-size excavators.”

Komatsu makes its backhoes and skid steer loaders at its manufacturing plant in Newberry, S.C. ■

For more information on Komatsu utility machines, contact your sales representative or our nearest branch location.



Among the Komatsu machines at the International Construction and Utility Equipment Expo was this WA50 wheel loader.

Attendees at ICUEE get to put machines, such as the Komatsu WB146 backhoe loader, through their paces.



An operator tries out Komatsu’s CK30 track loader at ICUEE.

QUALITY THAT LASTS

Komatsu's new VP of Manufacturing says building reliable machinery never goes out of style



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.

Bill Suzuki,
Vice President
of Manufacturing

Bill Suzuki was named Vice President of Manufacturing last October after marking 25 years with Komatsu. His new role involves overseeing operations at the plants in Peoria, Ill. (mining), Chattanooga, Tenn. (excavators and articulated trucks), and Newberry, S.C. (utility).

"I've seen Komatsu grow up in the North American marketplace," said Bill. "When I joined Komatsu, our presence here was very small, and now we have three manufacturing plants in the U.S. I'm very proud of what Komatsu has accomplished by focusing on quality products that are dependable and efficient. Our customers recognize that and remain loyal to us."

After graduating from Muroran Institute of Technology in 1984, Bill Suzuki went to work for Komatsu and has worked in the company's manufacturing operations since. Most recently he was General Manager of Komatsu's Peoria, Ill., manufacturing facility.

"The principles of each are the same, to build quality machinery that makes the user profitable," said Bill, who is married and has two teenage children. "I enjoy working with the staff at each plant to ensure those principles continue to be met."

QUESTION: You've been involved with manufacturing Komatsu products for more than two decades. What's changed in that time?

ANSWER: When I joined Komatsu, our product line was very limited, but since the early 1980s we've grown at an incredible rate, becoming one of the top two manufacturers of heavy equipment in the world. Demand for our innovative products continues to rise. Part of that has been a vastly increased presence in North America, and to meet that demand, Komatsu has built a number of manufacturing facilities. In North America we have three manufacturing plants: mining equipment in Peoria, Ill., excavators and articulated trucks in Chattanooga, Tenn., and utility equipment and wheel loaders in Newberry, S.C. Each has its own engineering and research and development components as part of the manufacturing process, and each not only supplies the North American marketplace, but also some products globally.

Through the years, Komatsu has also increased the number of genuine Komatsu components in our machinery. Customers appreciate that because they know their machine is built to exacting specifications and all components work together harmoniously to increase efficiency. They also like that they can go to the distributor and buy Komatsu OEM parts that are made specifically for their equipment.

QUESTION: With that much growth in a relatively short time, how has Komatsu ensured its products meet customer expectations?

ANSWER: We simply won't settle for mediocrity or compromise on quality. Think of manufacturing as a puzzle. You can't finish the picture without all the pieces. For Komatsu, those pieces are safety, quality, delivery and cost and they go hand-in-hand. Safety is our

utmost concern, both for our workers in the plants and operators of Komatsu equipment. From the operator's standpoint, you can't have safety without quality. That means using quality components and materials that ensure each of our machines has the right mix of power and stability so the operator feels confident in the machine's ability to do the job for which it's designed.

Of course, when the customer orders a machine, he expects delivery as quickly as possible. We've cut down our delivery time on orders considerably over the years, and we continue to improve. Because we're always looking for ways to streamline the manufacturing process — that certainly doesn't mean cutting corners in any way — we're able to build quality, safe products at competitive prices. During the past 20 years, our North American customers have come to see how all the pieces fit together to provide added value, and that's why many continue to buy Komatsu after their initial purchase.

QUESTION: What hasn't changed in terms of manufacturing?

ANSWER: Komatsu's commitment is to building innovative products that are reliable and cost-effective. That never goes out of style. Each time we set out to build a new machine, we strive to make it better than its predecessor by incorporating new technologies with the tried and true. We've always been very particular that the materials we use are the highest quality. We won't put a piece of equipment in the marketplace until it's been thoroughly tested and retested.

QUESTION: Are customers part of that process?

ANSWER: Yes. Part of the process of manufacturing equipment is gathering customer information about what they want in a piece of equipment and incorporating that into the final product. After all, they're the ones using the machine, so it makes sense that they're part of the process of building and testing machinery. We want to know what they like and don't like, so we can build a better machine.

We also encourage customers to visit one of our manufacturing plants and see for themselves how Komatsu builds the machinery they use every day. ■



Employees of Komatsu's manufacturing operations do all assembly and testing of new machinery before it leaves the plant. "We've always been very particular that the materials we use are the highest quality," said Vice President of Manufacturing Bill Suzuki, who's been with Komatsu for 25 years. "We won't put a piece of equipment in the marketplace until it's been thoroughly tested and retested."



Komatsu encourages customers to visit its manufacturing facilities and see how the products they use are made. "Part of the process of manufacturing equipment is gathering customer information about what they want in a piece of equipment and incorporating that into the final product," said Bill Suzuki, Vice President of Manufacturing.



Komatsu's North American operations include three manufacturing plants in the United States that supply not only North America but also some products globally.



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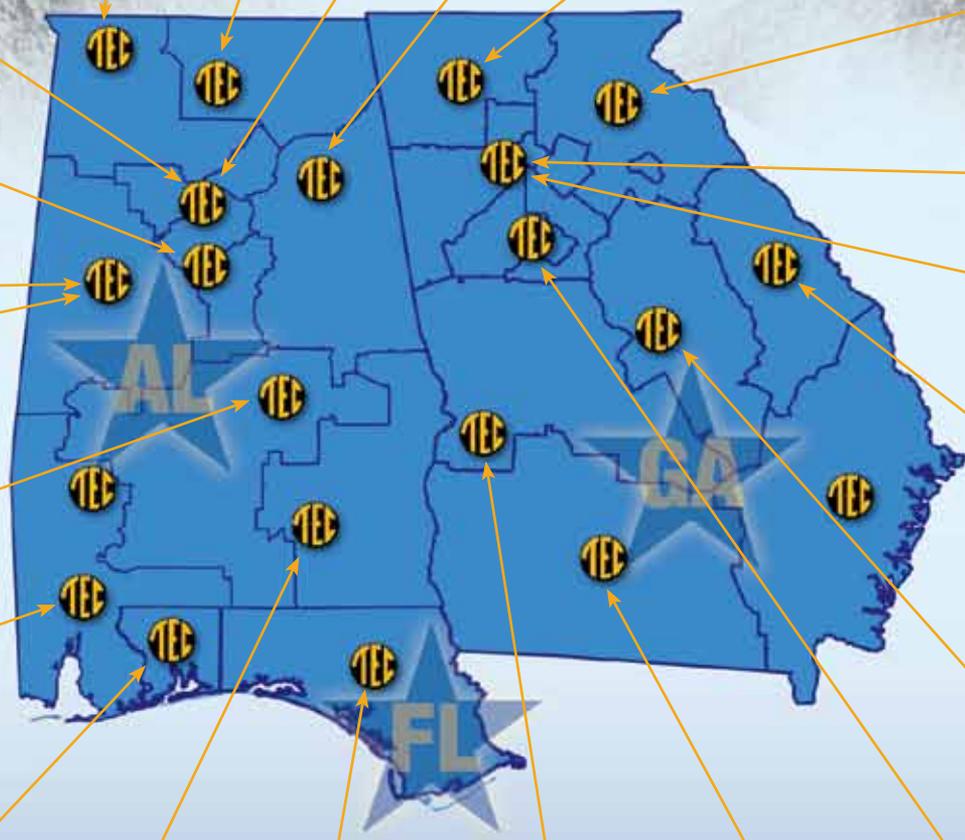
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SERVING YOU BETTER

COMPUTER-BASED TRAINING

Our service technicians gain knowledge online to help keep your machines on track

Whether your equipment needs routine scheduled maintenance or a more extensive fix, you expect to have it up and running again with as little downtime as possible. That's Komatsu's goal too, and in an effort to build on service technicians' skills, it's extending online training opportunities.

Online courses are available to technicians across Komatsu's extensive lineup of construction, utility and mining machines. With a user name and password, technicians are able to log in and take courses anywhere there's Internet access.

"It's part of our commitment to continual training and keeping technicians up-to-date," said Angie Huggett, Associate Media Developer based at Komatsu in Cartersville, Ga. "We still offer classroom and hands-on training. Computer-based training (CBT) enhances that by allowing the technician to learn virtually anytime and anywhere."

Huggett noted that technicians are often specialists in one area or only a few machines. With CBT, not only will they stay abreast of any updates or changes in those machines, but can more easily learn about additional equipment lines.

"Technicians can use CBT to expand their horizons," said William Grasse, Supervisor, Media Department. "For instance, they may be focused on excavators and want to learn about dozers. CBT allows them to get an in-depth look at that. They can then build on that knowledge through classroom and hands-on work."

Minimizing downtime

When technicians finish a module — in essence, a class — they take an online assessment. Successful completion earns them

credit and satisfies a prerequisite to taking another course.

"The goal is to ensure they understand the function of a machine, so when they go out on a service call, they're able to diagnose and fix it as quickly as possible," said Grasse. "Keeping downtime to a minimum is critical, and CBT helps in our efforts to do that. We spent a lot of time developing the courses and accompanying materials, and we believe it will pay off for us and our customers." ■



Komatsu's computer-based training allows service technicians to enhance their knowledge and skills virtually anytime with an Internet connection.

(L-R) Members of the team that developed Komatsu's computer-based training are Training Manager Mike Robson, Supervisor Media Department William Grasse and Associate Media Developer Angie Huggett.



HOT

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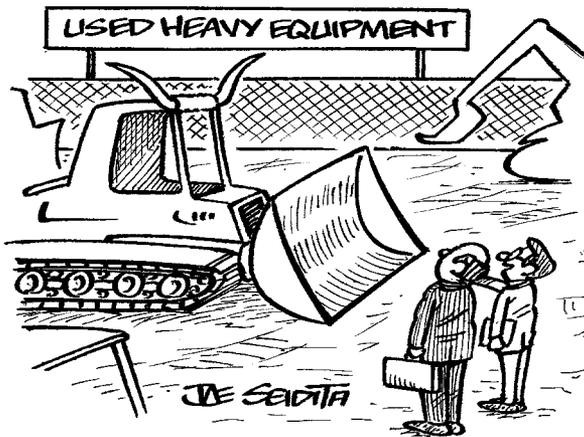
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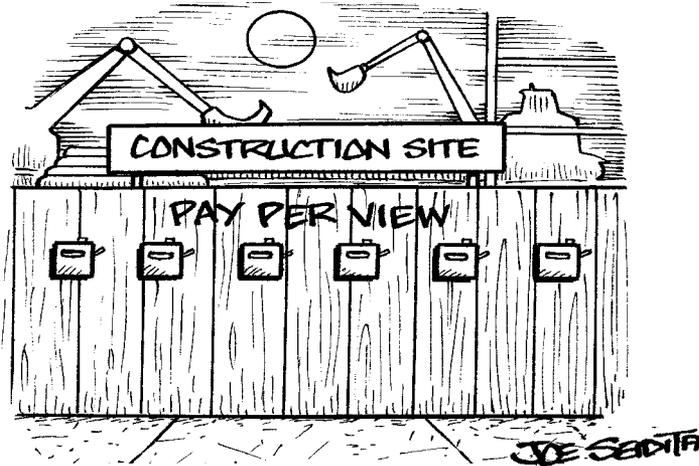
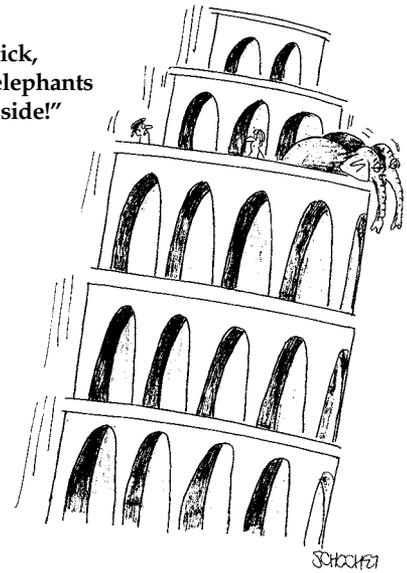
SIDE TRACKS

On the light side



"That one only had one previous owner... an earthmoving company in Texas."

"Quick, shift the elephants to this side!"



Did you know...

- No piece of paper can be folded in half more than seven times.
- You burn more calories sleeping than you do watching television.
- The plastic things on the end of shoelaces are called aglets.
- There are 293 ways to make change for a dollar.
- The cigarette lighter was invented before the match.
- It takes 3,000 cattle to supply the NFL with enough leather for a year's supply of footballs.
- Abraham Lincoln faces to the right on a penny while all the other presidents face to the left on U.S. coins.
- The first Harley Davidson motorcycle was built in 1903, and used a tomato can for a carburetor.
- No word in the English language rhymes with month, orange, silver or purple.
- Apples, not caffeine, are more efficient at waking you up in the morning.

Brain Teasers

Unscramble the letters to reveal some common construction-related words. Answers are on the right side of this page.

1. RECVIES _____
2. RITD _____
3. TACNIVEOXA _____
4. DELORA _____
5. PROCTOMAC _____
6. TAPRS _____

NEWS & NOTES

Tim Aiken is now VP/Regional Sales Manager for Georgia



Tim Aiken,
VP/Regional
Sales - Georgia

A 30-year veteran of the construction equipment industry, Tim Aiken is well-positioned to take on his new role as TEC Vice President Regional Sales - Georgia. Tim previously served as Branch Manager of TEC's Hoschton, Ga., operation. Now he will oversee sales activities in the northeastern counties of Georgia.

Aiken joined TEC in 2003 after working for many years with other construction equipment companies. His experience with customers in sales and as Branch Manager for TEC have prepared him well for his new leadership position.

"Tim Aiken has earned his new role for Tractor & Equipment Company through hard work and excellence performance," acknowledged TEC President Dan Stracener. "He has consistently demonstrated his strong industry knowledge and superior capabilities throughout his career."

Excited about this new opportunity, Aiken welcomes the opportunity to visit with both longtime and new customers. "I look forward to expanding my knowledge of customers and their needs in northeastern Georgia," he remarked. ■

Rich Trucks heads up TEC branch in Anniston, Ala.



Rich Trucks,
Branch Manager
Anniston

As a four-year letterman on the Auburn University football team, Rich Trucks helped lead the 2004 Auburn Tigers to an undefeated season. Now, Trucks is bringing those leadership skills to his new position as TEC Branch Manager in Anniston.

Trucks graduated from Auburn in 2004 and joined TEC as a PSSR in 2006. He covered a large territory, serving customers in northern Alabama. That experience, working with both customers and other TEC staff, has

served him well in understanding customer needs.

"I'm excited to be the new Anniston Branch Manager," Trucks said. "I'm looking forward to getting to know all of the contracting, construction and industrial customers in our 11-county area of the state." He encourages customers to stop by the Anniston branch to visit with him and learn more about the services he and his staff can provide.

Rich currently resides in Oxford, Ala. ■

New EPA stormwater regulations take effect

Citing soil and sediment runoff as a major cause of water quality issues, the Environmental Protection Agency (EPA) has implemented new regulations for controlling stormwater pollution on construction sites. Effective in February, and phased in over four years, the rules require construction site owners and operators to use best management

practices to ensure disturbed soil does not pollute nearby bodies of water.

Sites where 10 acres or more are disturbed at once must monitor discharges to comply with specific limits. This marks the first time the EPA has imposed national monitoring requirements and enforceable numeric limitations on construction-site stormwater discharges. ■

Used Equipment Specials



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Komatsu PC200LC-8, C60697, 2007, 420 hrs\$110,000



Komatsu D31PX-22, 60312, 2009, 601 hrs\$60,000

EXCAVATORS

Komatsu PC35MR-2, 10368, 2008, 548 hrs\$35,000

Komatsu PC160LC-7E, K41365, 2006, 1,075 hrs\$88,000

Komatsu PC220LC-8, A88105, 2006, 2,085 hrs.....\$125,000

Komatsu PC220LC-8, A88246, 2006, 1,904 hrs.....\$115,000

Komatsu PC300LC-7E0, A88585, 2006, 3,051 hrs.....\$130,000

Komatsu PC300LC-6, A84775, 2002, 9,858 hrs.....\$75,000

Komatsu PC300LC-6, A84872, 2002, 8,353 hrs.....\$79,000

DOZERS

Komatsu D31PX-22, 60221, 2008, 788 hrs.....\$58,000

Komatsu D61EX-12, B1823, 2003, 3,327 hrs\$69,000

Komatsu D39PX-22, 3051, 2008, 800 hrs.....\$90,000



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