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# A MESSAGE FROM

# THE VICE PRESIDENT



G. Michael Green



### Dear Equipment User:

We're looking forward to the new year with optimism that construction will rebound. One reason we're hopeful is because the industry's push for new infrastructure spending is being heard. In fact, the new presidential administration has made it a centerpiece of its early agenda.

No matter the conditions in the construction industry, we should all look for ways to be more efficient in our equipment use. That means using quality machinery that helps you produce more in less time with decreased fuel consumption and emissions. Komatsu has a full line of construction, utility, mining and forestry equipment that meets those standards.

You can find out about some of those products in this issue of your WPI Update magazine. Among them are innovative machines, such as Komatsu's largest utility excavator, the PC88MR-8; the PC200LC-8 excavator with thumb spec; and D31 and D37 dozers, which now feature the super-slant nose design. If it's mining equipment you're interested in, check out the MINExpo article to see products that have made Komatsu the leader in mining machinery.

If you need more information on any of these products, or if we can help you with any of your service needs, don't hesitate to contact us. We're here to help you in any way we can.

Sincerely,

WAUKESHA-PEARCE

INDUSTRIES, INC

G. Michael Green

Vice President of CMD Operations





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# BRYSTAR CONTRACTING, INC.

# Beaumont excavating contractor finds success through diversification, quality work



Bryan Phelps, Owner/President

In one sense, Brystar Contracting has come full circle. When the company began one of its latest earthmoving projects for the city of Beaumont, it went back to one of the original jobs it did in 1993.

That year marked the founding of Brystar Contracting, an up-and-coming company at the time. One way it cut its teeth was subcontracting work for the construction of Cattail Marsh, the city's 650-acre wetlands that act as a water-treatment filter for the community's sewer treatment. At the time, Bryan Phelps ran the company along with a partner, who has since left the company, and one employee. With only three people, the size and scope of the work Brystar Contracting could do was limited.

That's no longer the case. When Brystar began its latest project at Cattail Marsh, it took

A Brystar Contracting operator uses a Komatsu D39PX dozer to grade a cell at the Cattail Marsh project for the city of Beaumont. "We especially like the D39PX models. In this area, the ground is often wet, and with the wider tracks we're able to work in conditions that would



normally slow or stop machines with narrow tracks," said Owner/President Bryan Phelps.

the lead as the general contractor responsible for regrading, new construction of levees, removing existing piping and installing new pipe, and building new concrete structures. In all, the three-year, \$10 million project will see Brystar Contracting move hundreds of thousands of yards of dirt and install more than a half mile of 54-inch, reinforced concrete pipe while removing more than a mile of old pipe.

"Even though we have a three-year timetable, our sights are set on finishing the project in a considerably shorter timetable," said Phelps, who is sole owner and President of Brystar Contracting. "During time periods when the weather is nice and dry, we'll put quite a bit of our manpower and equipment resources on it and hammer it hard. There's enough work here, though, that even if there's wet weather, we can still work on parts of the project."

### Long list of services

Finishing projects ahead of time has been a hallmark of Brystar Contracting from the beginning when Phelps decided he'd had enough of working for other companies. Having spent several years in the construction industry moving around the country, he came back to his roots in Beaumont in 1992 with the idea of being in business for himself.

"I figured it was the best way for me to take control," recalled Phelps. "In the beginning, a lot of the work came in the private sector, doing earthwork and utility installation for developers on subdivisions. We still do a fair amount of that, but we've grown into doing municipal and state projects with an emphasis on utility projects. We also do a limited amount of work for developers in the commercial and industrial market."



Brystar Contracting uses Komatsu excavators as its main production machines, including this new PC200LC-8 equipped with KOMTRAX. "We don't worry about downtime with them, and that's why Komatsu is our excavator of choice," said Owner/President Bryan Phelps. "We use the larger excavators for everything from mass excavation to digging trenches and setting pipe and structures in utility work."

The list of services Brystar Contracting performs is long and varied, including soil stabilization, drainage systems, concrete paving, dewatering, hydroexcavation, trenchless technology consulting, slip-lining, surveying, design-build and construction management.

"Diversity in several markets plays a big role in the company's success," observed Phelps. "The other factor in our favor is that we're not locked into any particular niches. Brystar is well-rounded when it comes to earthmoving services. The Cattail Marsh project is a good example of that. It involved moving mass quantities of dirt, pipe installation and all the related work that goes along with it."

Brystar Contracting has a long list of completed projects for the city of Beaumont that involve various aspects of its services, including improvements to Main Street, the aerated lagoon and Bunns Bluff Canal levee.

"Most of the work we do is right here at home or in the very near vicinity," said Phelps. "By being diversified, we're able to find enough projects in the immediate area that we don't have to travel far to look for work. The employees like that because they're home every night, which I believe is important. Because of that, I have little turnover and have built a very solid staff that's experienced and dedicated to a job well done.

"The other benefit is that many of them have been with Brystar a long time," he added. "Several of the group have worked their way up from laborer to a superintendent. With their help, I've been able to build up to six crews. For the most part, the crews are dedicated to a specific area, such as pipe work or excavation, but everyone on staff can perform nearly any type of work we do, if need be. They're well-rounded, and an outstanding group."

Included in the group of 70-plus employees are Phelps' father Everett, who does estimating, his brother Daryl, who is General Superintendent and his uncle Chuck, who is a Superintendent.

# Productive Komatsu equipment keeps rolling

While Phelps emphasizes that having outstanding people is the top reason for Brystar's success, he also believes in giving them the proper equipment to boost production. For moving dirt, he said Komatsu excavators are the machines of choice. Brystar's latest additions include two PC200LC-8s and a PC228USLC-3, all equipped with KOMTRAX. He also has several other excavators ranging in size from the compact PC15 to the PC400.

"Komatsu excavators are our main production machines, and have been for a



# Brystar focuses on customer service

... continued

long time, because they're ready to go to work every day, just like us," he said. "We don't worry about downtime with them, and that's why Komatsu is our excavator of choice. We use the larger excavators for everything from mass excavation to digging trenches and setting pipe and structures in utility work. The tight-tail-swing models can work in tight spaces without sacrificing production.

"I also believe having KOMTRAX on the new machines makes them more productive too," he added. "I was a little reluctant about it at first because I really couldn't see the benefit, but Komatsu contacted me by e-mail not long ago about an error code on one of the PC200s. I had a mechanic in the area where the machine was located and sent him over to check it out. The operator had just noticed the error code as well. I knew about it before the operator did. I'm convinced it's a great tool for fleet

(L-R) Brystar Contracting
Owner/President Bryan
Phelps and his brother,
General Superintendent
Daryl Phelps, meet with
WPI District Manager Scott
Smith. "Scott and the staff at
WPI have been tremendous
to work with, and that's a big
reason why we've continued
to buy Komatsu equipment,"
said Bryan Phelps.



Brystar Contracting Operator Kyle Turner loads dirt with a PC400LC-7 excavator at the Cattail Marsh project for the city of Beaumont.



management and tracking production and idle times. It's something we'll look for in all our new Komatsu machinery going forward."

Because the excavators have proven so reliable, Brystar Contracting has added other Komatsu equipment to its fleet, including WA180 and WA250 wheel loaders, a WB140 backhoe loader and four D39PX dozers.

"We realized from our first purchases that Komatsu equipment was reliable and productive, and we've never been disappointed," said Phelps. "They're all workhorses. We especially like the D39PX models. In this area, the ground is often wet, and with the wider tracks we're able to work in conditions that would normally slow or stop machines with narrow tracks."

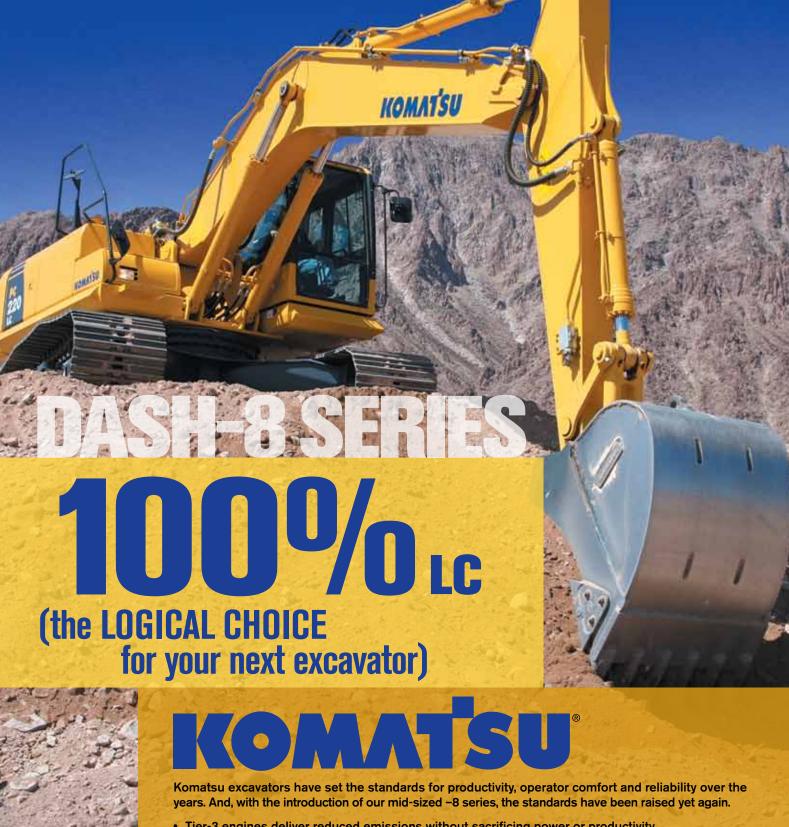
Brystar Excavating purchased all of its Komatsu machinery from WPI's Beaumont branch with the help of District Manager Scott Smith. Brystar employs three full-time mechanics, but turns to WPI for occasional service help as needed.

"A strong dealership that stands behind the equipment it sells is essential to a business like ours. Scott and the staff at WPI have been tremendous to work with, and that's a big reason why we've continued to buy Komatsu equipment," said Phelps. "There are times when we need some extra help, and WPI responds quickly to any need we have. They firmly believe they're a partner in our business, and that our success is theirs as well."

### Just the right size

Phelps has been successful in building Brystar Contracting into a multifaceted company that can work in several sectors depending on market conditions. It's what he set out to do when he founded the company 16 years ago.

"It goes back to offering quality work and customer service," said Phelps. "That's what I've always focused on and stressed to my employees. It's the reason we've continued to grow throughout the years. Now we're at a point where growth isn't a priority because Brystar is able to do several jobs at once without sacrificing quality. I don't ever want to see that change."



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## **GUEST OPINION**

# **POTENTIAL GOOD NEWS**

# Former NAHB Chief Economist says there may be light at the end of the housing tunnel soon

Congress should consider providing further "sorely needed" economic stimulus to encourage home ownership and limit foreclosure in order to pull the U.S. economy out of recession, according to David Seiders, who recently stepped down as Chief Economist for the National Association of Home Builders (NAHB). He spoke at the NAHB's Construction Forecast Conference.

The steep decline in sales of new single-family homes should be coming to an end in 2009, Seiders said, setting the stage for "tepid" improvement in new residential construction later this year. However, he warned, that outcome has grown increasingly uncertain in light of the turmoil that has gripped world financial markets.

"Things are a lot worse than any of us had anticipated six months ago," Seiders said, and the national housing market — which is the root cause of the collapse in confidence among lenders — has continued to spiral downward. "Risks are piling up on the down side. These are tough times, no question," he said.

While remaining reasonably optimistic that a housing recovery is beginning to take shape, "The uncertainties out there are unprecedented," Seiders observed, "and there is a growing risk that today's major housing contraction could get even worse."

On the brighter side, Seiders said that housing in the first half of 2009 should be helped by the \$7,500 tax credit available to first-time home buyers; legislative efforts to address foreclosures; the continuation of affordable mortgage rates; and the availability of fixed-rate mortgage financing through Fannie Mae, Freddie Mac, the Federal Housing

Administration and the Department of Veterans Affairs.

### Restoring affordability

Citing an increase in pent-up demand for housing, he added that declines in home prices and increases in personal income have helped to restore housing affordability to the more normal levels that existed prior to the peak of the housing boom.

However, even as the demand for housing begins to grow, housing production will be constrained by tighter credit for the loans builders and developers need to break ground on new residential projects, he said. ■



David Seiders, former NAHB Chief Economist

Former NAHB Chief Economist David Seiders said the steep decline in sales of new homes should be coming to an end in 2009, setting the stage for "tepid" improvement in new residential construction later this year.



## INVESTING IN THE PRESENT AND THE FUTURE

## A SILVER LINING?

# A new stimulus plan with a focus on infrastructure could help construction rebound

Editor's note: At the time we went to press, Congress was still debating details of the economic stimulus plan and what it would mean for the construction industry. During the presidential election season, one of the major topics of conversation was the economy and how to improve it. One way newly elected President Barak Obama is trying to help is through a massive infusion of money into the nation's infrastructure, including highways, airports and rail, as well as water, sewer and power transmission lines.

Obama has said he would support creation of a National Infrastructure Reinvestment Bank. In an October 2008 speech, he cited the creation of 2 million jobs through rebuilding roads, schools and bridges. More recently, he's used a figure of more than three million new jobs.

"We'll put people back to work rebuilding our crumbling roads and bridges,

Infrastructure spending for items such as new utilities is a centerpiece of an economic



modernizing schools that are failing our children, and building wind farms and solar panels, fuel-efficient cars and the alternative energy technologies that can free us from our dependence on foreign oil and keep our economy competitive in the years ahead," Obama said more recently.

Organizations such as The Associated General Contractors (AGC) are optimistic the plan would pay off soon. "(It could) absolutely change the scenario for companies that have been laying people off," said AGC Chief Executive Officer Stephen E. Sandherr in a recent Wall Street Journal article.

## Public support on the rise

It looks as though Obama has public support for his plan. One indication suggesting such support: the same day Obama was elected, several states passed ballot initiatives that approved new taxes for fixing infrastructure.

"The public's willingness to approve significant investment in infrastructure in difficult economic times is a testament to voters' awareness of our national infrastructure needs, demonstrated by their willingness to tax themselves and borrow to fund it," said Sandherr. "We are hopeful that Congress will now recognize the public appetite for infrastructure investment, which will assist in addressing longstanding needs, producing jobs and stimulating economic activity that will help put our nation back on track."

It seems this call to infrastructure investment couldn't come at a better time. The nation's Highway Trust Fund was close to running out of money last fall before lawmakers passed an \$8 billion bill



Spending for roads is part of the proposed stimulus plan that includes billions in new infrastructure spending, which many organizations are calling for to help spur economic growth.

to temporarily keep funds flowing, but a comprehensive new highway bill will have to be passed this year. Other key legislation passed in 2008 had appropriations for fiscal year 2009 that included military construction. Under the same bill, spending on other appropriations was frozen at 2008 levels.

A Federal Aviation Administration bill was enacted last September to keep airport grants and aviation taxes in effect until April of this year. Congress also authorized \$5.3 billion over five years for Amtrak programs and \$1.5 billion over 10 years for Washington, D.C., transit system maintenance. While those are steps in the right direction, Congress failed to complete other key legislation that would help an aging and ailing infrastructure.

Among the legislation in limbo is a multi-year FAA reauthorization bill, which stalled in the Senate; a clean water bill — a Senate committee passed one, but it received no floor vote; a bridge funding and inspection legislation that stalled out; and a new highway bill.

## Creating more jobs, projects

The investment in new infrastructure would be welcomed by many states and



municipalities that have put public projects on hold due to the lack of funding from decreased tax revenue as consumers spend less. There are more than 3,000 projects worth \$18.4 billion that could be started in 30 to 90

spending plan calls for construction projects in many areas, including roads, airports, light rail and utility lines.

Continued . . .

# Push for increased infrastructure spending

... continued



The nation's Highway Trust Fund was close to running out last fall before lawmakers passed a temporary fix of \$8 billion. A new comprehensive highway bill will need to be passed this year.

During the election season, numerous states passed ballot initiatives aimed at fixing infrastructure; a positive sign that a national stimulus plan focused on new infrastructure spending would be welcomed.



days, according to the American Association of State Highway and Transportation Officials. Those projects may get top priority for an immediate boost, while other projects created under a stimulus would help in the long term. Another immediate benefit may be that projects cost less as the economic turmoil has driven fuel and material prices down.

But the most beneficial aspect would be the creation of jobs at a time when construction unemployment has soared. The public works projects created under a new stimulus package would also help the overall construction economy, which is projected to further decline through much of 2009. However, some forecasts do see the housing market stabilizing in the second half of the year.

Nearly every construction-related organization is calling for some sort of stimulus package. As part of such a stimulus package, many are pushing for an extension of the Bonus Depreciation and additional Sec. 179 expensing levels. The Associated Equipment Distributors (AED) President Toby Mack urged Congress to act swiftly saying, "Infrastructure stimulus would immediately create jobs and spark new business purchasing, while at the same time laying a solid foundation for America's economic vitality."

During the presidential campaign, Obama talked about \$175 billion in spending, but new figures put the price of a stimulus package four to five times higher than that.

"We have to make sure that the stimulus is significant enough that it really gives a jolt to the economy, that it puts people back to work, that it is making investments, that it is restoring some confidence in the business community that, in fact, their products and services are going to have customers," said Obama in a recent press conference. "Not only do I want this stimulus package to deal with the immediate crisis, I want it also to lay the groundwork for long-term, sustained economic growth."



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## **DESIGN INNOVATION**

## **NEW DOZERS**

# Award-winning super-slant design among improvements in D31, D37 models

The revolutionary design that made Komatsu's first super-slant dozer, the D51EX-22, an award winner is now available in the new D31 and D37 models. They are ideal for owners and operators looking for better visibility and performance in smaller-dozer applications.

Both new models, available in standard-track EX and wide-track PX versions, feature Komatsu's super-slant nose coupled with a new cab-forward design that puts the operator closer to the blade, while improving machine balance, ride and stability.

"Slanting the nose and moving operators forward allows them a better view all around, and especially gives them a great view of the material they're pushing," said Bruce Boebel, Komatsu Dozer Product Manager. "Cabs are larger than their predecessors, with more glass to enhance visibility, making the operator more efficient. Owners could put a new operator in these machines and be confident they'll learn how to run a dozer faster so they're productive more quickly.

"We didn't stop with improving the cab," he added. "The dozers are more durable with thick plate steel and rigid frames, and tracks are welded onto the frame, unlike most competitors, which have bolt-on track frames. Both have more horsepower than their predecessors, increasing pushing capabilities for better production and cost per yard. Couple that with new Tier 3 engines that reduce fuel consumption, and maintenance time, and they're among the most efficient dozers on the market."

Those attributes are helped by large power-angle-tilt blades that hold more material, especially useful in mass dozing. Each hydrostatic dozer has a steering system that provides smooth movement during

dozing, even in gradual turns. That also allows the operator to approach objects accurately in corner and sidewall operations.

By simply pushing a button, operators can select between variable and quick-shift speed control for maximum efficiency during fine or rough grading with optimal travel speeds to match job conditions and operator preferences. With variable speed, travel speed is adjusted through a range of 20 incremental speeds, while quick-shift allows operators to select three predetermined speed settings to match job conditions.

"All models come standard with KOMTRAX to help track utilization and maintenance," noted Boebel. "The D31 is great in residential applications and tight places for general finish work, and the D37 is a step up for those wanting a little bigger machine, but can't justify going to a larger D39. They're both great investments that will pay big dividends."



Bruce Boebel, Komatsu Dozer Product Manager

| Brief Specs on Komatsu D31 and D37 Dozers |        |                         |                       |
|---|--------|-------------------------|-----------------------|
| Model                                     | Output | <b>Operating weight</b> | <b>Blade capacity</b> |
| D31EX-22                                  | 78 hp  | 18,056 lbs.             | 2.11 cu. yd.          |
| D31PX-22                                  | 78 hp  | 18,827 lbs.             | 2.11 cu. yd.          |
| D37EX-22                                  | 89 hp  | 18,298 lbs.             | 2.32 cu. yd.          |
| D37PX-22                                  | 89 hp  | 19,070 lbs.             | 2.55 cu. yd.          |

Komatsu's award-winning, super-slant nose design, is now available in its new D31 and D37 models. Also available in D39 and D51 models, it allows operators a better view of the blade for increased efficiency.



## **PRODUCT NEWS**

## **ADDED VALUE**

# PC200LC-8 Thumb Spec excavator offers greater lift capacity and stability



Armando Najera, Product Manager Excavators

Komatsu's PC200LC-8
Thumb Spec excavator has
the innovative features of its
standard counterpart, plus
a reinforced mainframe and
additional counterweight
for increased lifting
capacity and stability when
working with heavy loads at
maximum reach.

When Komatsu designed its PC200LC-8 Thumb Spec excavator, it kept all the same innovative attributes of its PC200LC-8 counterpart and beefed up the counterweight to 11,113 pounds. The result was a 20-percent increase in lifting capacity compared to the standard PC200LC-8 and increased stability when working with heavy loads at maximum reach.

"This is really a great machine for anyone who's working in conditions that warrant that extra lift and stability needed in applications such as digging trenches or setting pipe and structures," said Armando Najera, Product Manager Excavators. "The thumb and bucket, as well as attachment piping, can be factory installed. The PC200LC-8 Thumb Spec also has a heavy-duty arm for improved durability and increased support for thumb installation."

Also available for customers who require factory piping is an HD Spec (Heavy Duty) that includes an HD boom, HD revolving frame under covers and HD decals. The HD Spec is a setup that is suited for demolition-type work. Other major production numbers remain the

same for both the Thumb Spec and the HD Spec, with bucket capacity between 0.66 and 1.57 cubic yards and 148 net horsepower.

"Keeping those numbers consistent means the Thumb Spec machine will continue to be productive and fuel efficient, even while handling heavier work loads," said Najera. "The PC200LC-8 Thumb Spec has increased in popularity because of that. Contractors are seeing the benefit and asking for this machine."

#### **Efficient features**

Part of its popularity comes from the standard features, similar to its counterpart, that make it among the most productive in its size class, including low fuel consumption and emissions from a Komatsu turbocharged, aftercooled Tier 3 engine. Operators can maximize fuel efficiency by using the Economy mode (one of five available modes), and using the Eco-gauge for energy-saving operations. An extended idling caution helps operators remember to shut the machine down for fuel conservation.

Operators can set the modes using an easy-to-view, seven-inch LCD color monitor in the large, comfortable cab that has damper mounting for low noise and vibration. Extended replacement intervals for engine oil and filter and hydraulic filters means less downtime. Like all new Komatsu excavators, the PC200LC-8 Thumb Spec comes with Komatsu's KOMTRAX remote machine-monitoring system.

"Like the standard PC200LC-8, this is truly a great machine that can benefit almost anyone doing mass excavation, site preparation or utility installation. The Thumb Spec is not just for customers with machines that will use a thumb," said Najera. "If they need a little extra kick or additional stability, they should consider this machine. They'll definitely see the difference."

# Brief Specs on Komatsu PC200LC-8 Thumb Spec ExcavatorModelOperating weightNet hpBucket capacityPC200LC Thumb Spec51,199-53,115 lbs.148 hp0.66-1.57 cu. yd.



## **UTILITY PRODUCTS**

## **EXPERIENCE PAYS OFF**

# Komatsu designs the ultimate eight-ton size class excavator

Komatsu recently introduced its new PC88MR-8 excavator to the North American market to much critical acclaim. There are a number of competitive units in its eight-ton size class, but the comparison ends there as side-by-side tests show that the PC88MR-8 offers more value from the start and can save more money throughout the life of the machine.

Before the test was conducted, Komatsu looked at 13 obvious areas of comparison, such as the manufacturer's own hydraulics and engine, short tail swing, fuel management features and number of working modes. In each case, the PC88MR-8 was equal to or better than the competitive model. Major areas where Komatsu stood out were working modes — the PC88MR-8 has five to maximize production and fuel economy — and fuel management features, such as auto-idle, eco gauge, Economy mode and excess idle alarm. The competition had only one mode, auto-idle.

After comparing the models, they were put to the test under controlled conditions at Komatsu's Training and Demonstration Center in Cartersville, Ga. Komatsu was the clear winner in several categories, including 15 percent faster cycle time in Production mode and nearly the same cycle time in Economy mode. The PC88MR-8 moved 6 percent more spoil per hour in the Working mode.

While the Komatsu PC88MR-8 moved more material, it used less fuel — 8 percent less in Power mode and a whopping 45 percent less in Economy mode. In the same mode, Komatsu was 22 percent more efficient in terms of cubic yards per gallon.



In a side-by-side comparison, Komatsu's PC88MR-8 showed faster cycle times, moving 6 percent more spoil per hour in the Working Mode. In addition, it used less fuel, making it more efficient and productive than the competition.

Continued . . .

## PC88MR-8 offers higher productivity, lower cost

... continued

Adding to the PC88MR-8's productivity numbers is a quiet cab that's more comfortable for the operator. During the comparison, operators noted they could better hear the standard radio in the Komatsu, making for a more pleasant operating environment.

### **Komatsu PC88MR-8 Field Test Results**

| Truck Loading |                          | PC88MR-8 | Competitor |
|---------------|--------------------------|----------|------------|
| P Mode        | Cycle time<br>in seconds | 12.31    | 14.17      |
| E Mode        | Cycle time<br>in seconds | 14.27    | 14.17      |

Komatsu had a 15% faster cycle time in Production Mode and nearly the same cycle time in Economy Mode.

| Loading Amount |                      | PC88MR-8 | Competitor |
|----------------|----------------------|----------|------------|
| P Mode         | Cubic yards per hour | 114.6    | 107.4      |

Komatsu moved 6.2% more spoil.

| Fuel Consumption |                  | PC88MR-8 | Competitor |
|------------------|------------------|----------|------------|
| P Mode           | Gallons per hour | 2.74     | 2.96       |
| E Mode           | Gallons per hour | 2.04     | 2.96       |

Komatsu used 8.1% less fuel in P Mode and 45.1% less in E Mode.

| Fuel Efficiency |                        | PC88MR-8 | Competitor           |
|-----------------|------------------------|----------|----------------------|
| P Mode          | Cubic yards per gallon | 41.9     | 36.3                 |
| E Mode          | Cubic yards per gallon | 46.9     | has only<br>one mode |

Komatsu was more efficient by as much as 22.6%.

### **KOMTRAX** saves money

In today's competitive environment, the availability of accurate operating information can improve the bottom line. Helping provide that accurate information is Komatsu's KOMTRAX system, standard on every new machine with five years of free communications. To put such a system on a machine using existing aftermarket offerings would cost well in excess of \$2,000.

Komatsu sampled the KOMTRAX information on several of its first PC88 models sold, and found the following information:

- Six of eight machines analyzed idled 50 percent of the time. That excessive idling wastes fuel, increases engine wear and adds unnecessary hours to the engine hour meter, which may affect machine resale value at trade-in time. The excess hours require more frequent maintenance resulting in higher costs. By knowing and managing engine idling time, owners can reduce maintenance costs and increase useful life and resale value.
- Those operators who idled the machine less, also used the Economy mode two-thirds of the time. Using the E mode and idling less saved nearly 60 percent in fuel consumption. Assuming a fuel price of \$3 per gallon, that equates to more than \$3,300 savings over the course of 1,000 hours of operation.

# Higher resale value, peace of mind

The conclusion from Komatsu's testing and monitoring is that the PC88MR-8 is truly the ultimate eight-ton excavator. It gives owners more up-front at time of purchase and it keeps on giving with exclusive fuel-management features, five working modes to match machine performance to demand and the exclusive KOMTRAX machine-monitoring system that can enhance efficient, money-saving operation. Komatsu believes that the KOMTRAX history record will pay dividends at trade-in time with higher resale values.

For additional peace of mind, the PC88MR-8 comes with a standard three-year/3,000-hour warranty. ■



Komatsu compact excavators are right at home working in tight spaces. With advanced Proportional Pressure Control (PPC) joysticks, these machines give you precise handling without sacrificing speed, reach or capacity. Plus, they have all the features that make Komatsu excavators the choice of owners and operators across the country.

- Low-effort Proportional Pressure Control (PPC) joysticks
- · Spacious, ergonomically designed operator platform
- · Industry-leading 360-degree visibility
- · Tilt-forward operator cab structure for ease of service access
- Switchable excavator control pattern without tools (ISO/SAE)

When there's no room for error, the choice is 100% clear. Put our compact excavators to work today and enjoy the confidence that comes from machines that are...

100% Komatsu.

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### **FIELD NOTES**

## **TEST DRIVE**

# Demo Days attendees operate Komatsu equipment, take advantage of CMO tour

Equipment users from around the country got a close look and a chance to demonstrate machinery at Komatsu's most recent Demo Days at the Komatsu Training and Demonstration Center in Cartersville, Ga. Among the units

Demo Days attendees included Skip Hollen, head of the Wind Farm Division of STR Constructors (left) and WPI Sales Rep Ed Perry.

(L-R) WPI Kilgore Branch Manager Jack Smelley Jr., Precision Excavating Owner Marcus Davis, Office Manager Nicole Davis and WPI Sales Rep Bill Pepper pause for a photo at Demo Days.





Demo Days featured a wide array of Komatsu equipment.



highlighted were the PC200LC-8 excavator with thumb spec and the new D275AX-5 dozer with the patented Sigma blade.

Additional machinery included the award-winning D51-22 dozer and its smaller counterparts, the D39-22, D37-22 and the D31-22. All are available with KOMTRAX, Komatsu's remote machine-monitoring system, which customers could learn more about during the event. They also had the opportunity to tour Komatsu's Chattanooga Manufacturing Operation (CMO), where some of the excavators and articulated dump trucks on display at Demo Days are made.

Also on site were a wide range of the latest excavator and wheel loader models, as well articulated and rigid-frame trucks, rubber-tire skid steers and compact track loaders, a GD655-3 motor grader and a BR580JG mobile crusher.

For more information on Komatsu equipment, call your sales representative or visit our nearest branch location. In many cases, if you'd like to try something out, we'll be able to set up a demo for you.

Komatsu personnel were on hand to answer questions about all the machinery, which equipment users could demonstrate.



## **MINING MACHINES**

# MINExpo REPORT

# Komatsu showcases how equipment and technology work together for better production, management

When it comes to mining machines, Komatsu believes in "inventing the future" with innovative products designed to make the user more efficient, productive and profitable. It showcased the present and future of some of its largest production machinery with one of the show's biggest displays at MINExpo in Las Vegas.

Highlighting the Komatsu display were two new electric mining trucks — the massive 960E-1 and the 860E-1KT — that provide optimal productivity and fuel efficiency. Topping 1 million pounds when fully loaded, the 960E-1 is now the largest in Komatsu's full line of mining trucks with a 360-ton payload. Hauling that massive amount of material is no problem for the 960E-1 and its 3,346-horsepower Komatsu engine, which uses a unique dual-stage, turbo air-handling system. It has the lowest brake-specific fuel consumption at rated horsepower for its size class.

"More than a decade ago, Komatsu was the first to introduce an AC drive system for ultra-class mining trucks," said Don Lindell, Product Manager for Mining Trucks. "That experience, along with the more than 100 million operating hours logged overall for our electric trucks, clearly puts us in the lead with these new machines. Customer feedback was also a big influence driving our design criteria for these two new models. The result is a truck that's unrivaled for productivity, efficiency and comfort in this size class. We took great care in manufacturing the truck to be rugged and dependable, even in the most demanding applications. There are significantly fewer bearings than on other trucks, so there are fewer wear components. We ultrasonically test every weld. It's a very innovative product."

Komatsu added innovation to the 280-ton-payload 860E-1KT (The K stands for

Komatsu drive and the T for Trolley) as well. The 2,700-horsepower, 16-cylinder, two-stage turbocharged diesel engine is not only powerful, but Tier 2 certified for lower environmental impact. With Komatsu's factory-installed, trolley-capable option, the 860E-1KT can be utilized on either 1,600- or 1,800-volt lines for faster propulsion uphill while the engine reduces rpm, saving fuel and extending the life of the engine compared to a non-trolley truck.

Both trucks have ultra-quiet, dynamic retarding systems assisted by four-wheel, wet-disc brakes coupled with traction-control technology that provides excellent braking force, even in difficult road conditions.

"One of the advantages is that the operator can maintain a desired traveling speed," said Lindell. "We also made the cabs in these machines larger with better visibility. An integrated electronic dash display allows the driver to more easily see and read the gauges as well as payload data."

### **D475ASD-5 Tier 2 pushes more**

Komatsu displayed the latest D475ASD-5 dozer with its Komatsu 890-horsepower Tier 2



Rich Smith, Product Manager, Mechanical Drive Equipment



Don Lindell, Product Manager, Mining Trucks

Continued . . .

Komatsu had one of the largest displays at MINExpo, including a WA1200-3 wheel loader.



## Innovation helps Komatsu remain a leader in mining machinery

... continued



Tom Stedman, Product Marketing Manager for Mechanical Mining Equipment

engine that works to help the 246,000-pound-plus machine push nearly 60 cubic yards of material with its Super Dozer blade.

"The D475ASD-5 Tier 2 is great for long, consistent pushes where operators can utilize all its horsepower," pointed out Rich Smith, Product Manager for Mechanical Drive Equipment. "It



A Komatsu 860E-1KT has 2,700 horsepower for moving mass amounts of material faster.



The D475ASD-5 Tier 2 dozer pushes nearly 60 cubic yards of material with its Super Dozer blade.

Komatsu's newest mining truck, the 960E-1, is also its largest with a payload of 360 tons.



uses a lockup torque converter that gets the engine's power to the tracks and down to the ground where it belongs. With the Super Dozer blade, it's about 15 percent more effective than a standard blade.

"That becomes even greater in uphill pushes," he added. "For instance, on a 12-percent or 15-percent grade, users may see 20 percent to 25 percent greater productivity advantages over a standard full-U blade. In addition, it offers greater travel speed while the engine kicks down in rpms, so it uses 3 percent to 5 percent less fuel than the competition. With today's fuel prices, that adds up significantly in a fleet of machines."

### WA1200-3 leads the pack

Rounding out Komatsu's equipment offerings at MINExpo was its largest wheel loader, the WA1200-3. This machine has a 1,560-nethorsepower engine and a 26.2-cubic-yard bucket capacity in its standard configuration. An optional high-lift model provides an additional two and a half feet of reach.

The standard WA1200-3 is not only Komatsu's largest loader, but one of the world's largest at more than 452,000 pounds with a dumping clearance higher than 20 feet. It has more than 286,000 pounds of breakout force and 253,000 pounds of traction force. Steering is controlled by the Advanced Joystick Steering System (AJSS) with light, short strokes for perfect steering accuracy, and stopping is safe with closed, wet-disc brakes.

"Of the world's largest loaders, it gives the best advantage in tractive effort and digging power," said Tom Stedman, Product Marketing Manager for Mechanical Mining Equipment. "Komatsu loaders are well-known throughout the range of sizes for their powerful digging, breakout force, stability and outstanding tipping load weight and ratio, and we believe the WA1200-3 is unmatched in all these areas.

"The WA1200-3 has a wide range of applications," he added. "They are in use in all types of mines around the globe because they match up very well with our electric mining trucks. In addition, because of their stability, they make great load-and-carry machines for applications such as charging a hopper."



# KOMATSU\*

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

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

If you want maximum efficiency—no matter how rough the terrain might be—put this pair to work. At the end of the day, you'll see the results from machines that are...

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# **KOMATSU'S "GREEN" COMMITMENT**

# VP says the company's efforts impact both the environment and customers' bottom line



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.

Erik Wilde, Vice President, Product Marketing

Erik Wilde has been with Komatsu more than a decade, the last five as Director and now Vice President of Product Marketing.

"One of my primary missions is to help our product managers and distributors get the message out about how our products can make our customers more efficient and productive at the same time," said Wilde. "Komatsu has done that in several ways that not only improve machine and operator performance, but reduce fuel consumption and harmful emissions. We believe we're the most environmentally friendly equipment company in the market."

Wilde has seen several of the changes that have led to better owning and operating costs since he joined Komatsu in 1997 as a Warranty Coordinator and Assistant Service Engineer for mining dozers. He was with the Mining Division nearly four years before moving into the Construction Division as Product Manager of hydraulic excavators. He completed an MBA in Marketing in 2003, which led to his position as Director of Product Marketing later that year.

A San Francisco Bay-area native, Wilde has adapted well to the Midwest as he's based at Komatsu's Corporate Headquarters in Rolling Meadows, Ill. He and his wife have three children under age 10 who keep them busy with various activities.

QUESTION: Komatsu has introduced a large number of new machines in the past few years. What's changed and why?

**ANSWER:** In the past three years, Komatsu has redesigned or replaced nearly 95 percent of its vast equipment offerings, some as a result of increased governmental standards, but just as importantly, because we've listened to our customers' desires for improved technology, better parts availability and other improvements that benefit their businesses' bottom lines. From the governmental standpoint, nearly every machine in Komatsu's lineup has a Tier 3 or EPA-compliant engine. With the Tier 3 engines, we not only meet governmental standards for reduced emissions, but we often exceed them. At the same time, we reduced fuel consumption and increased service intervals, both of which add up to more efficiency and cost savings. We simplified the machines for better operator efficiency and added items such as lock-up torque converters for better productivity. We're very proud of those achievements because they fit right in with our goal of being an environmentally friendly company with sustainable and "green" solutions as part of our corporate commitment.

## QUESTION: What else has Komatsu done to go "green?"

ANSWER: Well in some sense, we believe we've always been the greenest equipment company in the marketplace, stretching back decades. All our equipment is designed and built to last. That means fewer machines being put out to pasture, so to speak. An example where we've extended life is in our new PLUS undercarriage on the D51, D61 and D65 machines, which doubles the

undercarriage life. But we all know that at some point, every machine outlives its useful life and will be taken out of service. Komatsu designs machines that are virtually 100-percent recyclable, from the steel to the plastic to the glass. We use recycled materials in their initial production. That way, there's less waste and more reusable material that can go into making future products.

Komatsu continues to implement green practices in its manufacturing operations. It's adopted an Earth Environmental Charter that lays out our principles and activities for a green and sustainable company. All our plants are near-zero-waste facilities, so that every material that comes in is used or reused in some way. Waste oil is recaptured and used for heating. We've adopted new painting practices that cut waste and environmental impact, while making our paint jobs better. In addition, we've strategically located our parts depots to be closer to our customers so less fuel is used to get parts to them quickly, and we've teamed with suppliers and carriers who are close to our manufacturing operations, so there are shorter shipping distances and less fuel burned in getting materials in and products out of our manufacturing facilities.

# QUESTION: What are some ways Komatsu is working with equipment users on green practices?

**ANSWER:** Komatsu prides itself on being ahead of the technological curve. With our KOMTRAX monitoring system, which is free for five years and standard on most new machines, users can see how a machine is performing in various modes that Komatsu offers. It's widely believed that being in Power mode offers the best production. That's understandable, but our data show that in 70-plus percent of applications, they get the same productivity in the Economy mode at a lower cost. The benefits are less fuel used, less engine wear and more profit. Komatsu is also introducing a "Green Guide," which offers ways for equipment users to promote and implement green practices into their companies and run their machinery more efficiently. We're encouraging users to check it out online so they're not using paper. If



Utility machines, such as the CK30 compact track loader, were required to meet Tier 4 emission standards in 2008. Tier 4 is on the horizon for 175 horsepower and up machines in 2011 and 75 to 175 horsepower must be Tier 4 in 2012.



When Komatsu designed its Tier 3 engine machines, it not only lowered emissions, in many cases it increased horsepower and reduced fuel consumption, making them among the most productive and efficient machines in utility, construction and mining applications.

they want a paper copy, it will be printed on recycled paper using soy ink, which is much more environmentally friendly.

## **QUESTION:** What else is on the horizon for Komatsu?

ANSWER: Our utility products already have interim Tier 4 engines and we're working to meet Tier 4 standards on time, or ahead of time, like we did with Tier 3 on the balance of the product line. Engines 175 horsepower and up are required to be Tier 4 compliant by 2011, 75 through 175 horsepower in 2012. Tier 4 standards reduce emissions even more, which further reduces environmental impact. As with our other products, we're working to further improve performance and efficiency on our Tier 4 machines, delivering more value for our customers. ■



# KOMATSU\*

Komatsu backhoe loaders are designed to deliver. Attention to every detail ensures the highest levels of operator safety, comfort and convenience, productivity, ease of service, durability, reliability and quality. Komatsu backhoe loaders provide the ultimate comfort and productivity package.

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

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## **UNDER THE HOOD**

## **SAVINGS SOLUTIONS**

# Komatsu offers QuickEvac™ system designed to help reduce routine maintenance time

Komatsu has teamed up with RPM Industries to offer its QuickEvac™ prelubrication and oil evacuation system, which is designed to reduce the time it takes to perform routine oil and filter changes on equipment. The QuickEvac system is available as a factory-installed item or a retrofit kit available for virtually any piece of Komatsu equipment.

"It's an on-board engine maintenance system that offers several advantages over conventional oil changes, especially the speed at which a service can be performed," said John Bagdonas, Product Marketing Manager for Komatsu's Working Gear Group. "In many cases, oil and filter changes can be performed in a half hour or less compared to multiple hours on some machines. That's a significant time savings that equals more profit because the machine and operator are producing more. Technicians and mechanics can perform more services in less time because they don't have to crawl under or over a machine to deal with oil spills from plug removal and installation."

Technicians simply follow these six easy steps in the QuickEvac system:

- Purge lube filters of oil;
- Connect the service tool with quick-connect fittings and an electrical connection;
- Empty the sump directly into a waste container;
- Install dry oil filters;
- Refill the sump and oil filters with new oil;
- Disconnect the service tool and reconnect the Prelub<sup>TM</sup> line (technology that fully pressurizes the engine with oil before the engine cranks and prior to every start).

### Study shows reduced engine wear

Time and money savings are only part of the equation. When coupled with Komatsu's fuel savings and lower emissions, the QuickEvac system further reduces environmental impact.

There's less chance of oil spills, and waste oil can be transferred directly to final containment without messy pans or cans. With the Prelub technology, there's no need to prime the filter with oil, reducing another contamination risk.

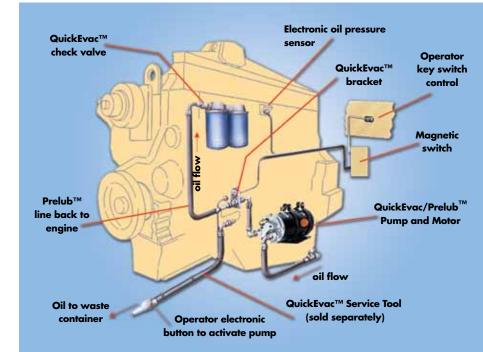
"QuickEvac is a very 'green' technology," said Bagdonas, who noted teaming up to offer QuickEvac is part of Komatsu's commitment toward one-stop shopping. "Installing the filters dry and using Prelub technology is not only environmentally sound, it could help the engine last longer. A recent study by Southwest Research Institute showed that engine prelubrication reduced wear an average of 68 percent. Of course, every situation is different, but increased component life and any savings on service costs and downtime mean more money in the owner's pocket."

To learn more about QuickEvac, contact Komatsu, your sales representative or our nearest branch location. ■



John Bagdonas, Product Marketing Manager, Working Gear

The QuickEvac™ system is designed to reduce routine maintenance time as well as potential environmental impact.



### **INDUSTRY NEWS**

## Green building on the rise, could triple by 2013

Last year's green building starts in the U.S. were up nearly five times compared to their 2005 levels, and could triple by 2013, according to McGraw-Hill Construction's "Green Outlook 2009: Trends Driving Change" report.

"Green growth is phenomenal across the globe," said Harvey M. Bernstein, Vice President of Industry Analytics, Alliances and Strategic Initiatives, McGraw-Hill Construction. "The business opportunities afforded by green building, even in the midst of a global economic crisis, are real and recognized by industry players. Furthermore,

green building has great potential to help tackle unemployment through green jobs, and can address other social issues, such as creating healthier places where we live and work."

U.S. Green Building Council (USGBC) members report green building is less affected by the down market, and home buyers are willing to pay more for a green home. Economic benefits driving green building could be higher revenues, lower life-cycle costs and lower operating costs. There's also motivation due to potential health benefits. ■

# Royalties for oil shale would be less than others if drilling happens

Companies wanting to tap U.S. oil shale resources on federal land will be required to pay much less in royalties in an effort to spur drilling in the near future. The Interior Department said companies would initially pay a 5-percent royalty rate during the first five years of production, compared to 12.5-percent to 18-percent rates from those taking conventional oil and gas on public lands, according to an Associated Press article.

Last fall, the Bush Administration opened nearly 2 million acres of land in Wyoming, Colorado and Utah to oil shale development. The announcement came after Congress failed to renew a ban on issuing final oil shale regulations. Officials noted that development was five to 10 years away, and may face obstacles such as cost and environmental issues, but said "rules of the road" were needed for companies to plan investment. No leases would be issued without further environmental study.

According to the article, up to 800 billion barrels of oil are locked in rock known as oil shale in Colorado, Utah and Wyoming. That amount could take the place of imports for 100 years, the article noted. It was also noted it will be up to the Obama administration to decide whether to proceed with leasing.

## EPA mandates emission-control lights on diesel truck dashboards

In an effort to enforce compliance with tighter pollution limits, the Environmental Protection Agency mandated that heavy diesel truck manufacturers install dashboard lights to signal emissions-control equipment malfunction. Manufacturers must have the lights installed by 2010, according to a Washington Post article.

New limits were set in 2007 to reduce emissions of particulate matter, sulfur dioxide, carbon monoxide and nitrogen oxides. EPA estimates say the new limits will prevent as many as 8,300 premature deaths, 9,500 hospitalizations and bring \$70 billion worth of health benefits. ■



# KOMATSU\*

Komatsu skid steer loaders are designed for comfortable operation all day, every day. Making the operator comfortable ensures the highest levels of safety and productivity. Coupled with ease of service, durability, reliability and quality, Komatsu skid steer loaders provide the ultimate comfort and productivity package.

- Low-effort Proportional Pressure Control (PPC) loader joysticks have optional SAE/ISO pattern changer.
- · Spacious and ergonomically designed operator platform provides exceptional visibility.
- Standard two-speed transmission makes short work of load and carry operations.
- Wide-opening rear door and tilt-up engine cover make access to service check and fill points a snap. Radial lift and vertical lift loader models make it easy to choose the right machine for your business.

When you want your skid steer loader to work for you instead of against you, the choice is 100% clear. Put a Komatsu skid steer loader to work today and enjoy the confidence that comes from machines that are...

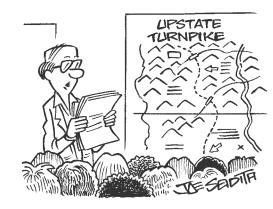
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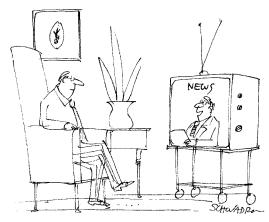
## **SIDE TRACKS**

## On the light side





"The good news is that we got the job . . . the bad news is that they want us to loan them the money to pay for it."



"In local news, police seized 40 tons of smuggled asphalt worth an estimated street value of \$1.5 million . . ."



"Just between you and me, we were counting on a big stock market rally, so Wall Street could bail out the government."

## Did you know...

- Recycling one aluminum can saves enough energy to run a television for three hours.
- 80% of the earth's surface is water.
- A 'jiffy' is an actual unit of time for 1/100th of a second.
- Ten inches of snow equals one inch of rain in water content.
- The WD in WD-40 stands for Water Displacement. It was invented on the 40th try for a formula that worked.

## **Brain Teasers**

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

- 1. MAMRHE 2. ZRODE
- 3. MTCCOPA
- 4. IRPPAR
- 5. CRTENH 6. RPOATERO





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