



WAUKESHA-PEARCE INDUSTRIES, INC.

August 2016

UPDATE

A publication for and about Waukesha-Pearce Industries, Inc. customers • www.WPIUpdate.com

CAPCO CONTRACTORS, INC.

Henderson-based pipeline contractor provides full complement of services to oil and gas companies



Billy Torrence,
Owner

Steve Torrence,
Estimator

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A MESSAGE FROM THE VICE PRESIDENT



Bruce Truesdale

**Komatsu is
leading the
construction
revolution**



Dear Valued Customer:

What an exciting time to be in construction. Today's technology is making companies more productive and efficient than ever. Komatsu continues to lead the revolutionary changes that maximize productivity, decrease downtime and increase your bottom line.

This issue of your WPI Update magazine illustrates that perfectly. Here, you will find articles on new *intelligent* Machine Control products that make every pass count – from rough-cut to finish grade. Among them are the new PC360LCi-11 and PC490LCi-11 excavators.

Last year, Komatsu introduced the world's first *intelligent* Machine Control semi-automatic excavator. Now, Komatsu delivers two more excavators that take you straight to grade.

The fun doesn't stop there. Komatsu also filled a gap in its dozer lineup by adding a new D85i-18. Featuring a patented SIGMADOZER blade, it moves massive amounts of dirt. Read about the features of this new dozer inside.

Want to know which machine is the right size for your operation and applications? We can help you determine that, and there is an article inside which provides beneficial information on this topic. There is also an informative article on the new Komatsu WA320-8 and WA500-8 wheel loaders.

If you wish to demonstrate any of these machines, or if there is anything else we can do for you, please call or stop by one of our branch locations.

Sincerely,
WAUKESHA-PEARCE INDUSTRIES, INC.



Bruce Truesdale
Vice President of CMD Operations



WAUKESHA-PEARCE INDUSTRIES, INC.

UPDATE

www.WPIUpdate.com

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CAPCO CONTRACTORS, INC.

Henderson-based pipeline contractor provides full complement of services to oil and gas companies



▶ VIDEO
Billy Torrence,
Owner

Billy Torrence believes that starting his own company was a natural step he needed to take. Torrence founded Capco Contractors in 1995 after working several years in construction and as a welder.

"My dad worked in the construction industry, and I got some experience in that market," recalled Torrence. "At 20, I started welding pipeline and did that for about 20 years. The last few years, I hired out as a general superintendent, moving from one company to another. When the opportunity came along to start my own business, I was ready."

Torrence began with approximately one dozen employees, a small office and a jobsite trailer. The company now has a 30-acre headquarters in Henderson, Texas. From this location, the business works in a nearly 200-mile radius providing comprehensive pipeline service to oil and gas companies,

including all aspects of pipeline construction. Capco Contractors is licensed to work in Texas, Louisiana, Mississippi and Arkansas.

The company offers boring and hydrostatic testing; turnkey installation of compressor and pump stations; pipeline reconditioning; gas plant and refinery construction and maintenance; well-site construction and hook ups; earthwork; reclamation and environmental cleanup; as well as safety training, instruction and consultation.

"We are a full-service pipeline contractor that can handle nearly anything a customer needs," said Torrence. "We do a lot of turnkey work that involves everything from engineering projects and right-of-way design to installing and tying-in pipe. After it's installed, we test it. We're also doing a lot of rehab work right now, which means excavating existing pipelines and facilities as well as repairing or replacing them."

"This area is rich in natural gas, so most of our projects are done for gas companies right in our own backyard, but we also work with oil companies," Torrence explained. "We maintain master service agreements with many of them. They like that we provide a long list of services and that we perform all of them safely."

Strong on safety

Torrence said that he and his employees have always focused intently on safety. Capco Contractors has a dedicated safety department that ensures OSHA regulations and DOT rules as well as drug and alcohol screening requirements are met.

"We really emphasize the importance of safety," said Torrence. "We would not be able



Steve Torrence,
Estimator

Clearing debris from a stream is one of many jobs for which Capco Contractors uses its Komatsu PC240LC-10 excavator.

▶ VIDEO





► VIDEO

Capco Contractors uses Komatsu excavators for a variety of applications, including smoothing out dirt with a bar attached to the bucket of a PC360LC-10. “We believe Komatsu excavators are the best in the industry,” said Owner Billy Torrence. “We use them for everything: digging, clearing, mulching, hammering, moving matting, lifting and laying pipe. They are our mainline production machines, and they handle any task we give them. Power, stability, smoothness – they are excellent across the board.”

to work with our customers without a strong safety record. More importantly, nothing is more valuable to me than my employees returning home at night in the same condition as they came to work. They are critical to our success – past, present and future – and that’s why we invest heavily in ongoing safety training.”

Employees drive success

When Torrence worked as a superintendent for other companies, several people moved and worked with him. After he founded Capco Contractors, some of those people joined him and helped build the new company. Capco has employed as many as 200 workers at one time. The current employee list sits at approximately 100. Key individuals include Billy’s son Steve, who does estimating; General Superintendents Thomas Baughman and Francisco Reyes; and office and warehouse personnel such as Curtis Hughes, John Brown, Todd Stewart and Bennie Pierce.

“I talked my way into our first job, which was installing roughly 13 miles of eight-inch gas pipeline,” Torrence shared. “I rented the equipment, and we got the job done. When I worked for others, I built a good rapport with

the oil and gas companies; so I called on them and set up service agreements with several companies. I am proud to say that many became repeat customers who we still serve.”

Throughout the years, Capco Contractors completed multiple, 50-mile-plus projects with pipe up to 24-inches in diameter. Torrence said that installing this size of pipe and smaller is the company’s niche.

“We have done larger pipe, like the 15 miles of 36-inch pipe that we put in for a gas company, but those types of jobs are few and far between,” said Torrence. “Our mileage totals well into the tens of thousands, and we’re equipped to handle all types of terrain and soil conditions, including rock. We can do almost anything because our staff expertise and experience is among the best in the industry. I estimate that our staff members average about 15 years of experience. This is a huge factor in Capco’s success.”

Komatsu excavators ‘the best in the industry’

Having the right equipment plays a vital role too, according to Torrence. He rented Komatsu excavators from WPI for his first job, and

Continued . . .

'Komatsus take whatever we can dish out'

... continued



Francisco Reyes,
General
Superintendent

Komatsu has remained in Capco Contractors' fleet ever since. The company currently runs a variety of sizes, including Tier 4 PC240s and PC360s that Torrence purchased from WPI's Kilgore branch with the help of Sales Rep Mark Bewley and Branch Manager Jack Smelley, Jr.

"We believe Komatsu excavators are the best in the industry," said Torrence. "We use them for everything: digging, clearing, mulching, hammering, moving matting, lifting and laying pipe. They are our mainline production machines, and they handle any task we give them. Power, stability, smoothness – they are excellent across the board."

Torrence also appreciates the durability that Komatsu excavators provide. He often

removes the counterweights from older excavators and puts a retro-pack in their place to run hydraulic pumps that, in turn, run rotating grinders, which Capco uses for right-of-way clearing.

"Reliability and longevity are essential," said Torrence. "We're often in remote locations where it isn't easy to get machines in and out. Pipeline work can be very hard on equipment, but the Komatsus take whatever we can dish out, with no major issues. We have used some for 10,000 hours or more and only performed routine maintenance or minor repairs. Even with that many hours, Komatsu still holds good resale value. They offer the whole package."

"We commend their service too," he added. "The Komatsu CARE program, where Komatsu covers the scheduled service for the first three years or 2,000 hours, is a great value. WPI calls us, tells us when a service is due and takes care of it at a convenient time and location. They know when because they track the machines with KOMTRAX, which we also use to see hours, idle time and other critical data. Mark, Jack and everyone else at WPI have always been great to work with."

Confident in a market's comeback

Like many businesses that work in the oil and gas industry, the recent market downturn affected Capco. The company has reduced staff during the past few months, but Torrence is confident in a turnaround.

"The markets fluctuate, and as a company, we have to adapt to survive," he pointed out. "I've been in the business for more than 30 years and have seen major swings both ways. We are still doing some small, new construction and good-sized rehab work. Eventually, the supplies will dwindle, and demand will go back up. Historically, that's the way it's been, and I believe it will happen again before too long."

"Nothing will change what we do," Torrence added. "Our specialty is, always has been and always will be, pipeline service. It's what we know, and we're good at it." ■



Capco Contractors Owner Billy Torrence (center) meets with WPI Kilgore Branch Manager Jack Smelley, Jr. (left) and Sales Rep Mark Bewley at Capco's office in Henderson. "Mark, Jack and everyone else at WPI have always been great to work with," said Torrence. "I appreciate everything they have done for Capco."

A Capco Contractors operator moves matting with a Komatsu PC360LC-10 excavator on a jobsite near Houston.





PC240LC-11

TIER 4 FINAL EXCAVATOR

- Improved engine efficiency with lower fuel consumption
- Large DEF tank capacity for operation on slopes
- Hydraulic closed-center load sensing system
- Spacious and quiet cab
- Auto idle shutdown



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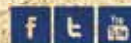
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"I sell a variety of quality Komatsu equipment. Take the PC240LC-11 excavator. It's got great features like a hydraulic closed-center load sensing system (CLSS) that provides quick response and smooth operation. Its large, quiet operator cab is more comfortable. Better engine efficiency improves response and helps get the most from every gallon of fuel. More innovation and more choices. That's why I AM KOMATSU."

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IS BIGGER BETTER?

Companies employ rightsizing strategy to purchase equipment and build efficient fleets



Ken Calvert,
Director, Komatsu
Business Solutions
Group



Kurt Moncini,
Komatsu Senior
Product Manager –
Tracked Products

While the lowest points of the Great Recession are in the rearview mirror, construction companies are applying the lessons learned from those tough economic times to their current business models. As a result, companies today are continually looking for the most efficient ways to operate. One area where that mind-set is put into action is with equipment fleets.

Owners are concentrating on maximizing the value of every piece of equipment in their yards. The strategy of rightsizing – matching equipment to its most cost-effective application – is helping owners accomplish this.

In a 2014 interview with Equipment Manager magazine, industry consultant Andrew M. Agoos noted that equipment owners emerged from the economic downturn with changed attitudes. He says that rightsizing grew in popularity as many owners were skeptical of the economy's continued growth. Because of this belief, owners continued to increase their efforts to manage and maintain equipment judiciously.

Buying the right machine

One of the most effective ways to own an efficient fleet is to purchase the correct machines.

To operate cost effectively, equipment owners are building their fleets by purchasing smaller machines and renting or leasing larger ones when needed. The rightsizing strategy has grown in popularity since the Great Recession.

Fleet managers need to consider several factors when purchasing equipment – budget, work-site conditions, current and future projects, technology and transportation. Companies can save time and money by doing their homework.

Ken Calvert is the Director of Komatsu's Business Solutions Group, a team that handles special projects relating to customers, distributors and corporate personnel. As part of this mission, the group collaborates with customers to help with the fleet-building process.

"Our favorite thing is to present a customer who has a \$2 million budget with a package that costs \$1.5 million and is much more efficient," shared Calvert. "We work with companies to help them monitor machines, look at the future and make the best decisions. Our goal is to save them money up front and in the future."

The group achieves this goal by often advising customers to buy smaller equipment with a focus on rightsizing.

"The data shows that many people own machines which are too big," said Calvert. "Buying a smaller machine is the single-best thing customers can do to save money. Large machines cost more up front, are more expensive to run and maintain, require more fuel, and they depreciate faster. Smaller machines have a higher utilization rate because they can be used on more jobs, and their residual values are more predictable and potentially higher."

Ego can play a role in the decision to purchase a larger machine, but Calvert says that many times it's a lack of information that causes customers to select machines that are too big. Customers may believe they are protecting themselves by purchasing a larger machine with the thought that it can handle more jobs. Using the wrong-sized machine is also common with new or growing companies. Many times, those businesses are





Owning and Operating Cost Comparison Among Komatsu Excavators

Model	PC88MR-10	PC138USLC-10	PC170LC-10	PC210LC-10	PC360LC-10	PC490LC-10
Price Variance	x	1.4x	1.5x	2.1x	3.4x	4.6x
Fuel Usage	1.41 gal/hr	2.04 gal/hr	2.97 gal/hr	3.38 gal/hr	5.77 gal/hr	7.55 gal/hr
Average Maintenance Fee Variance	x	1.3x	1.4x	1.4x	1.9x	2x

trying to do jobs with the machines they already own to avoid paying for an additional one. For a short time, this strategy may prove beneficial, but not over an extended period.

Another important component of rightsizing is matching equipment that will be working together in the same applications. For example, loading and hauling equipment need to match for optimum efficiency. If a loader is too large for a truck, or vice versa, the project will not be as efficient.

"I think people would be surprised at the benefits of buying properly sized machines," continued Calvert. "Just because a PC360 excavator can do the same jobs as a PC210, doesn't mean it should. The PC360 isn't nimble enough for smaller jobs. Using a right-sized machine is not only cheaper from an equipment standpoint, but it also saves time and eliminates wasted effort, which reduces the cost."

Technology changes fleets

In addition to buying right-sized machines and maintaining a proper-sized fleet, owners today also must consider technology advancements. With every new generation of equipment released, fuel efficiency, hydraulic performance,

visibility and emissions output improve. Simply purchasing the previous model again can cost companies a great deal of money.

"If an owner of an older machine, like a Komatsu PC400LC-6 excavator, was ready for a new machine, getting the latest 400-series excavator may not be the best decision," explained Kurt Moncini, Komatsu Senior Product Manager – Tracked Products. "Some of today's machines are so advanced that they are able to outperform older, larger machines."

To illustrate this, Moncini compares a Komatsu PC400LC-6 excavator to a new Komatsu PC390LC-11. The PC400 is 93,000 pounds with a 125-series engine; the PC390 is 90,000 pounds with a 114-series engine. Despite being smaller, the PC390 has a similar bucket capacity (2.97 yards to 3 yards), more horsepower (267 hp versus 266 hp), better over-side lift at 25 feet and comparable over-front lift at 15 feet. The PC390 also has the ability to match engine modes to application, offers advanced hydraulic features and has better fuel efficiency while meeting the latest emissions standards.

"With improvements to engine efficiency and hydraulic systems, the smaller PC390 can do just about everything the PC400 can," said Moncini.

As machines increase in size, so does the cost to purchase and maintain them as illustrated in the chart above. Ken Calvert, Director of Komatsu's Business Solutions Group says that owners would be "money ahead" by purchasing smaller machines and renting or leasing machines for larger projects as needed.

Continued . . .

Rentals and leases both growing in popularity

... continued

“For companies that are looking to replace older machines, there is value in considering newer, smaller models. In many cases, they are just as productive.”

The idea of rightsizing can also apply to the number of machines in a company’s inventory. Traditionally, firms built large fleets by holding onto older machines that were paid for, on the small chance they would be needed on a future project. While the machines may not have a payment, they lose value annually, and the costs associated with running those machines are higher than new ones. To run a leaner operation, some companies may want to sell older machines and begin building more efficient fleets by purchasing right-sized machines, renting or leasing.

“What many people don’t realize is they may be money ahead by buying a smaller machine to handle a majority of their projects and renting a larger machine when needed,” reported Calvert. “If a company can handle 90 percent of its projects with a smaller machine, it would be better off financially to rent a larger one for the other 10 percent.”

Meeting the trends

Equipment distributors and lenders have noticed this trend and designed programs to accommodate these changing attitudes. Agoos said that rental purchase options (RPOs) and similar programs were uncommon five or 10 years ago, but are now standard because dealerships have built large rental fleets.

Advanced technology makes newer machines just as productive as older, larger machines. “With improvements to engine efficiency and hydraulic systems, the smaller PC390LC-11 excavator can do just about everything the PC400LC-6 can,” said Kurt Moncini, Komatsu Senior Product Manager – Tracked Products.



Short-term leases have also experienced a similar spike in popularity.

“Twelve-month leases were almost unheard of before the recession, but now they are very popular,” revealed Tony Suits, Retail Finance Manager at Power Motive Corporation, a Komatsu distributor for Colorado and Wyoming. “A number of companies were stuck with big equipment payments during the recession, and they want to avoid that situation again. Today, some companies have work scheduled for eight to 12 months, but may not be sure what is coming after that. They love short leases because of the option to walk away or extend the lease after 12 months, depending on what work becomes available.”

Another reason that managing equipment through rentals or leases has grown in popularity is the benefits that come with the agreement.

“During a lease, we cover the maintenance and repairs, taking much of the risk out of the equation for the customer,” said Suits. “If something goes wrong, we can fix it or get them a new machine, and it’s all part of the agreement. Customers like being able to write the same check each month and not worry about downtime.”

Calvert says that financial protection should give owners the confidence to develop their fleets and grow their businesses.

“As companies grow and get into applications where they don’t own the optimal machines, they should consider rental,” he suggested. “It’s a cost-effective, low-risk way for owners to decide how to build their fleets and test out machines before they purchase.”

Mix and match

While rightsizing is a technique that allows companies to operate more efficiently, it is far from a one-size-fits-all solution. The onus is on a company to do its research and tailor a strategy to its needs.

Calvert points out that each company is different and should create a plan based on its production needs and goals, but he suggests a mix of machines that can handle many jobs cost effectively.

“Think of it like a basketball team,” he explained. “You can play with five centers, but you aren’t going to be very successful. You need a mix of abilities to succeed. The same is true when building a fleet.” ■

GUEST OPINION

CREATING A SAFETY CULTURE

Companies should focus on more than just recording zero incidents

Great news! Your project achieved a safety milestone with zero OSHA-recordable injuries. Mission accomplished, right? Not entirely. Most safety practitioners insist that there is always room for improvement with safety practices and procedures.

While the OSHA Recordable Incidence Rate (RIR) is a common and important metric for many organizations, some industry groups rank this indicator too high. Avoiding OSHA-recordable injuries is always a good thing, but claiming victory based on that alone does not meet the true goal of safety. For example, how many close calls were there? As safety leaders, we should work to change the mind-set that milestones equal achievements and instead shift to a clearer understanding of overall safety performance.

To better grasp the evolution of safety-performance measurements, it is important to appreciate why the OSHA RIR has become so prevalent. In 1982, the Business Roundtable issued the report “Improving Construction Safety Performance” to emphasize the importance of investing in safety programs and open dialogue between contractors and the workforce. The report also provided a relatively objective method to select safe contractors by suggesting the use of Experience Modification Rate (EMR) and OSHA RIR for safety evaluations.

Ultimately, the report’s appendix gave business owners a tool to evaluate their contractors objectively. The intentions were noble, but some may have taken these guidelines as definitive metrics, placing too much emphasis on OSHA-recordable cases. In fact, many owners are still using variations of the original 1982 report appendix as a qualification document to help select contractors. This reporting can

lead to inconsistencies. For example, one dose of a prescription pain medication qualifies as an OSHA-recordable injury, as does a fractured femur. Ideally, injury severity should be considered, because incidence rates alone may not paint the clearest picture.

Evaluators sometimes focus on the numbers and place too much emphasis on case management in achieving safety performance. Workers notice when management continually stresses achieving zero RIRs. If bonuses and promotions are tied to OSHA rates, employees and contractors may intentionally, or unintentionally, avoid reporting incidents.

It is important to build safety systems and processes to minimize the impact of human error. This also means we must think beyond achieving zero incidents, particularly with regard to OSHA rates. It is vital to implement proactive safety processes and take care of our people. ■

Bob Fitzgerald, Manager of Project Safety and Health, Southern Company Services, says it’s important for companies to go beyond thinking in terms of achieving zero recordable incidents and implement proactive safety processes.



Bob Fitzgerald,
Manager of Project
Safety and Health,
Southern Company
Services

The following article has been republished with permission and originally appeared in the fall 2015 issue of NCCER’s Cornerstone Magazine at nccercornerstone.com.



INNOVATIVE PRODUCTS AND SUPPORT

'JOBSITE OF THE FUTURE'

Komatsu showcases new *intelligent* Machine Control equipment and SMARTCONSTRUCTION



Jason Anetsberger,
Komatsu Senior
Product Manager



Komatsu unveiled new *intelligent* Machine Control dozers and excavators, as well as its SMARTCONSTRUCTION jobsite solutions, during the recent "Jobsite of the Future" event held at its Customer Center in Cartersville, Georgia. New excavators included the highly anticipated PC360LCi-11 and PC490LCi-11 models.

Komatsu introduced its first *intelligent* Machine Control products three years ago with the D61i-23



Among the machines featured was the popular 30-ton class size PC360LCi-11.



Komatsu introduced its second-generation *intelligent* Machine Control D61i-24 dozer, along with a new PC490LCi-11 excavator.

Attendees could operate all equipment, including the D155AXi-8 RC dozer, which is controlled remotely via a radio transmitter.



dozers, and this event showcased the second generation of that machine. The new D61i-24 model features a Tier 4 Final engine that reduces fuel consumption and operating costs. Additional new dozers included the D85i-18 and the D155AXi-8 RC (radio control) that is operated remotely via a radio transmitter.

"These new machines build on the success of our strong *intelligent* Machine Control family," said Jason Anetsberger, Komatsu Senior Product Manager. "When we introduced our first *intelligent* Machine Control excavator, customers asked us when additional, larger machines would be available – especially one in the popular 30-ton class size. We're pleased to introduce these new models, along with new dozers, and give the people in attendance a chance to operate them."

Attendees could also check out more *intelligent* Machine Control products, including D39i-24, D65i-18, D51i-22 and D155AXi-8 dozers. The world's first *intelligent* Machine Control excavator model, the PC210LCi-10, was also available for operation as was standard equipment such as the new WA600-8 wheel loader and haul trucks.

Komatsu personnel discussed the SMARTCONSTRUCTION program, which goes beyond *intelligent* Machine Control equipment with comprehensive jobsite solutions provided by Komatsu. In addition to training and support, offerings include: surveying/inspection, 3D modeling, jobsite data solutions, jobsite setup and optimized operation consultation.

"Komatsu distributors offer customers more than just machines," Anetsberger explained. "They provide a total package solution delivered by the distributor's Technology Solutions Expert. Our aim is to meet customers' jobsite technology needs today and tomorrow, through innovative solutions that improve their bottom lines." ■



D61PXi-24



intelligent MACHINE CONTROL

- First to last pass grading technology
- Revolutionary track slip control
- External stroke sensing hydraulic cylinders
- New Tier 4 Final technology



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ANDY CHAPMAN / SALES REP / LINDER INDUSTRIAL MACHINERY / GREER, SC

"From financing to product quality to support and training after the sale, Komatsu delivers everything my customers demand. I've been selling their full line, including the PXi and EXi series dozers, for years. Innovation and the exclusive *intelligent* Machine Control set them apart from the others. And that's why I AM KOMATSU."

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PC490LCi-11

3D AUTOMATION INCREASES YOUR PRODUCTION

- Dig to grade accurately without slowing down
- No worry grading because there is no over digging
- The machine you have been waiting for:
Big, Fast, Accurate



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MICHAEL BLANKENSHIP / TSE / MODERN MACHINERY CO. / SEATTLE, WA

"As a Komatsu Technology Solutions Expert at Modern Machinery, I train operators how to get the most out of their equipment. The all-new PC490LCi-11 is the world's first *intelligent* Machine Control excavator in its size class. It features Komatsu's fully factory integrated, revolutionary machine control and guidance system. It's ready to make you more efficient and more profitable. Leading-edge innovation is why I AM KOMATSU."

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011

NEW PRODUCT

'STRAIGHT TO GRADE'

Komatsu adds larger, more productive *intelligent* Machine Control excavators

Want to dig straight to grade with an excavator? You can with Komatsu's new *intelligent* Machine Control excavators, including the PC360LCi-11 that fits in the popular 30-ton size class and provides excellent productivity and efficiency in a wide range of applications.

"Nimble, yet highly productive, the PC360LCi-11 is easily the most anticipated *intelligent* Machine Control product to launch from Komatsu in recent memory," said Jason Anetsberger, Komatsu Senior Product Manager. "From trenching on a utility work site to mass excavating on a highway project, the PC360LCi-11 is flexible and versatile enough to be at home on almost any jobsite."

A 257-horsepower Tier 4 Final engine powers the PC360LCi-11, while the larger PC490LCi-11 has a Tier 4 Final, 359-horsepower engine. On top of an already very productive base machine, incorporation of the *intelligent* Machine Control technology boosts productivity up to 66 percent when compared to conventional excavation methods.

"Many of our customers have enjoyed the precision, versatility and efficiency of our first *intelligent* Machine Control excavator, the PC210LCi-10, and have asked us to scale *intelligent* Machine Control technology to larger-sized excavators. The wait is over," reported Anetsberger. "Whether you are mass excavating, trenching or fine grading, the PC490LCi-11 will help increase productivity and efficiency, while removing the burden and worry of overexcavation."

Revolutionary automation

Komatsu introduced the world's first *intelligent* Machine Control excavator, the PC210LCi-10, to rave reviews in 2014. Like that machine,

the PC360LCi-11 and PC490LCi-11 feature Komatsu's revolutionary, fully factory-integrated, machine-control system. The exclusive control function lets operators focus on moving materials efficiently, without worrying about digging too deep or damaging the target surface.

Komatsu's *intelligent* Machine Control excavators utilize 3D-design data loaded into the touchscreen display to show machine position relative to target grade. When the bucket reaches the target surface, automation kicks in to limit overexcavation.

"Once the target elevation is reached, no matter how hard the operator tries to move the joystick control to lower the boom, the excavator won't allow it," said Anetsberger. "From rough digging to finish grade, these machines improve efficiency and precision and minimize overexcavation, making every pass count." ■



Jason Anetsberger,
Komatsu Senior
Product Manager

Quick Specs on Komatsu PC360LCi-11 and PC490LCi-11 Excavators

Model	Net Horsepower	Operating Weight	Bucket Capacity
PC360LCi-11	257 hp	78,484-79,807 lb	0.89-2.56 cu yd
PC490LCi-11	359 hp	105,670-107,850 lb	1.47-4.05 cu yd



The new *intelligent* Machine Control excavators feature Komatsu's fully factory-integrated machine-control system. The exclusive control function lets operators focus on moving materials efficiently, without worrying about digging too deep or damaging the target surface.

MORE EFFICIENT LOADERS

New WA500-8 and WA320-8 feature high production, lower fuel consumption in a variety of applications



Rob McMahon,
Komatsu Product
Marketing Manager



Craig McGinnis,
Komatsu Product
Marketing Manager

The WA500-8 has an increased bucket capacity of 7.6 cubic yards, and the bucket now fills easier and retains material better, contributing to machine efficiency and productivity gains of up to 10 percent.

Quick Specs on Komatsu WA500-8 and WA320-8 Wheel Loaders

Model	Horsepower	Operating Weight	Bucket Capacity
WA320-8	165 hp	34,128-34,392 lb	3.0-4.2 cu yd
WA500-8	357 hp	76,708-77,856 lb	6.8-8.2 cu yd

Wheel loaders perform a variety of tasks and in a wide range of applications. Komatsu's new Tier 4 Final WA500-8 and WA320-8 models provide increased efficiency and high production under all types of conditions. These new models also use less fuel than their Tier 4 Interim predecessors – up to 5 percent less with the WA500-8 and up to 3 percent less with the WA320-8.

The WA500-8 has an increased bucket capacity of 7.6 cubic yards, and the bucket now fills easier and retains material better, contributing to machine efficiency and productivity gains of up to 10 percent. It also features greater horsepower than the Dash-7.

"The WA500-8 is made for loading on-highway trucks or smaller rigid trucks in quarry applications, articulated trucks on construction sites or load-and-carry

applications," said Komatsu Product Marketing Manager Rob McMahon. "Operators will also appreciate enhancements in cab comfort and features, such as the integrated load meter and full automatic digging function."

'Utility knife on four wheels'

The WA320-8's parallel-lift linkage, with auto tilt-in to simulate a Z-bar, can be used in any application from pallet handling to hard digging. With increased operating weight, the WA320-8 features an S mode that gives operators maximum control in slippery conditions.

"The easy-to-control hydrostatic transmission makes the WA320-8 ideal for agriculture and residential applications, but its size and attachment-friendly quick coupler make it an all-around performer for almost any work site," Komatsu Product Marketing Manager Craig McGinnis said. "The WA320-8 works well for snow removal. It's a multi-purpose utility knife on four wheels."

Komatsu designed its Komatsu Diesel Particulate Filter (KDPF) and other after-treatment components in its new Tier 4 Final loaders to work in conjunction with the engine for efficiency and longer life. More than 90 percent of KDPF regeneration is performed passively, with no action required by the operator and no interference with machine operation.

"These new models are a great fit for companies using construction-sized and small quarry loaders," said McGinnis. "We encourage anyone who uses loaders to demo a WA500-8, WA320-8 or both. We believe owners and operators will see the clear advantages that the new models offer." ■





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MY CUSTOMERS LOVE KOMATSU!

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GENE SNOWDEN III / MACHINE SALES REP / BRANDEIS MACHINERY / LOUISVILLE, KY

“I’m proud to sell Komatsu products. At Brandeis, we’ve handled quality Komatsu equipment for decades. Like all Komatsu loaders, the WA470 has an excellent balance between power and stability in the pile and speed and stability when moving with the load. And maintenance departments love the access to daily checks and service items. My customers are satisfied customers, and that’s why I AM KOMATSU.”



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010

ROUNDING OUT THE LINEUP

Komatsu’s new D85i-18 dozers hog dirt, excel at finish grades with *intelligent Machine Control*



Chuck Murawski,
Komatsu Product
Marketing Manager



Sebastian Witkowski,
Komatsu Product
Marketing Manager

Three years ago Komatsu unveiled its first *intelligent Machine Control* dozer, the D61i-23. Several models followed, ranging from the 105-horsepower D39i-23 to the 354-horsepower D155AXi-8. However, one size class remained without an *intelligent Machine Control* dozer. Komatsu filled that gap with its new 30-ton, 264-horsepower D85EXi-18 and D85PXi-18 models.

The new D85i-18 dozers feature factory-integrated GPS grade control that eliminates the need for cables and masts. Once engaged, the system automatically starts the cut and lowers the blade to grade in a typical dozing pass. If the load increases to maximum capacity, the blade automatically raises to minimize track slip, ensuring productive dozing. This allows the dozers to achieve up to 8 percent greater efficiency in moving materials, based on start-to-

finish-grade testing against typical aftermarket machine-control systems.

A new standard, operator-selected Reverse-Grading mode enables automatic blade control while in reverse.

“Customers who use a standard D85-18 like that it moves massive amounts of dirt, yet is easy to transport,” said Chuck Murawski, Komatsu Product Marketing Manager. “The new D85i-18 does that with the added benefit of machine control, so that every pass counts. Eliminating the components of traditional aftermarket systems, and the time required to remove and install them, means even more passes and greater profits.”

Increase production with SIGMADOZER® blade

Increased production of up to 15 percent during those passes is possible using a Komatsu-patented SIGMADOZER® blade that rolls material to the center for increased soil-holding capacity and reduced sideways spillage.

Maintenance and repair costs remain low with Komatsu’s Parallel Link Undercarriage System (PLUS) that provides up to double the wear life of traditional systems. A new Triple Labyrinth final drive provides added protection for the drive’s floating seals.

“With the monthly production gains that are realized by starting sooner, finishing faster and using less fuel, owners are finding that the more they run the D85i-18, the more they save,” said Sebastian Witkowski, Komatsu Product Marketing Manager. “From heavy-slot dozing to finish grading, this dozer is perfect for larger earthmoving jobs where accuracy and efficiency are important.” ■

Quick Specs on Komatsu D85i-18 Dozers			
Model	Net Horsepower	Operating Weight	Blade Capacity
D85EXi-18	264 hp	67,439 lb*	9.4 cu yd*
D85PXi-18	264 hp	65,080 lb	7.7 cu yd

*With SIGMADOZER®

Komatsu’s new *intelligent Machine Control* D85i-18 dozers move massive amounts of dirt and grade efficiently while remaining easy to transport. They feature a new standard, operator-selected Reverse-Grading mode that enables automatic blade control while in reverse.



HM300-5

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JASON ROGERS / PRODUCT SERVICE MANAGER / KIRBY-SMITH / TULSA, OK

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ADAPTING TO YOUR NEEDS

Komatsu releases new maintenance programs, adapts to changing attitudes about machine ownership

QUESTION: What is the main role of the Parts Sales & Marketing department at Komatsu?

ANSWER: The role of our group is to focus on customers' parts support needs in order to maximize efficiency in their operations. By doing so, we demonstrate the quality of our parts, strengthen our customer relationships and drive loyalty for Komatsu machines, parts and service.

QUESTION: How has the market changed in regard to owning heavy equipment during the past few years?

ANSWER: It's become clear that equipment owners are looking for even more ways to maximize their investments in the machines they own. Customers are cautious with the money they spend to ensure it is used as efficiently as possible. They want to allocate their maintenance dollars where it makes the most sense. Komatsu builds technologically advanced, high-quality products that require the use of high-performance filters and engineered oils to maintain peak performance and component longevity. When customers buy revenue-generating, capital assets they expect a maintenance program that ensures only parts and fluids made for their specific Komatsu machines are used when serviced. This is why we developed Genuine Care. We're so confident in the benefits of our Genuine products that we stand behind each Genuine Care program with a 12,000-hour component life assurance and 100 percent core guarantee.

QUESTION: What should customers know about the new Genuine Care program and how do they benefit from it?

ANSWER: Our new Genuine Care program is an extension of our complimentary Komatsu CARE program for Tier 4 machines. Customers can purchase a Genuine Care program from their Komatsu dealers to pick up where the

Continued ...



**Paul Moore, Vice President,
Parts Sales & Marketing**

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.

Paul Moore joined Komatsu in 2006 and became the Vice President, Parts Sales & Marketing in 2015. His career path to that point included two continents and several jobs in the heavy-equipment field. He started as an apprentice technician in his native United Kingdom in 1984. In 1990, he joined a global agricultural-equipment manufacturer and then moved to the United States with that company in 2000, before joining Komatsu.

"My background and career path have provided me several opportunities to progress," said Moore. "I've held different product support positions, and I think that helps me understand the importance which customers place on parts support."

Moore joined Komatsu to focus on its remanufacturing business. From there, he progressed from Senior Product Manager, Reman; to Senior Marketing Manager, Spare Parts; to Director of Parts Marketing; and finally to his current position.

"The first thing that attracted me to Komatsu was the reputation of the product," Moore recalled. "Now that I've been involved with the company, I know why the reputation is so strong. We have great people who set the bar really high. It's a world-class organization."

Moore is married and has two children. In his free time, he enjoys riding motorcycles and spending time with his family.

Programs strengthen customer-distributor-brand relationship

... continued



To accommodate customers' changing attitudes regarding machine ownership, Komatsu offers new programs that encourage customers to meet with distributors and plan future maintenance. The programs ensure that Komatsu-certified technicians continue to perform maintenance on machines.

complimentary maintenance leaves off. As long as that Genuine Care program remains in place, we reward the Komatsu machine owner with the component assurance and core guarantee; both of which are fully transferrable when it's time to trade in or sell the machine. Our Komatsu distributors use KOMTRAX to monitor the machine and proactively schedule and perform maintenance at times that work best for the Komatsu machine owner. Factory-trained technicians perform the work, and all services include oil analysis of each component and a full machine inspection. This complete service history also ensures that the machine qualifies as Komatsu CARE Certified Equipment, our highest level of previously owned equipment and a serious driver of higher residual values when an owner decides to trade in or sell the machine.

QUESTION: What has Komatsu done to accommodate customers' changing attitudes about ownership?

ANSWER: We began planning programs that we believed could be of value to our customers and this new trend. Our new Firm Future Order program is a direct result of that. This long-term planning program is designed for the distributor to sit down with a customer and look at what machines the customer is running, the applications those machines are performing in, how hard the machines are working and what the machines will be doing in the future. Then, we schedule large maintenance projects three, six or 12 months in

advance, based on the information gathered. We let the customers lock in pricing and guarantee availability of parts. We also schedule the work at times that are convenient for the owners. This enables the owners to build those repair costs into their budgets.

The purpose of this program is to eliminate unexpected downtime through preventive maintenance. We want to help customers plan ahead and involve them in a proactive discussion. Having a plan in place is better than reacting to a surprise failure, and the plan can always be modified. For example, if a machine is scheduled for a transmission replacement, but it is outperforming our estimates, the customer can move the maintenance date but keep the guarantees. We will be ready and anticipate the service on the revised date.

QUESTION: How have customers received these programs?

ANSWER: Our distributors see a huge benefit in creating more face-to-face meetings with their customers, and the customers appreciate that we are looking out for them and handling the machine monitoring and the maintenance scheduling.

We've noticed that these programs have strengthened the bond between customers and their distributors and created a deeper sense of brand loyalty to Komatsu. The programs make our technicians more visible to customers because they are servicing the machines consistently and meeting with the customers. Customers can see that we are working to minimize downtime. The programs were put into place to help customers have a better experience with the Komatsu brand.

QUESTION: Were these programs the only changes made to accommodate customers?

ANSWER: No, continuous improvement is a core competency of Komatsu and led us to reorganize our field support staff. By increasing the number of staff members and reducing the size of their territories, we are able to spend more time with our distributors and in front of their customers. We've seen a great benefit to building, maintaining and strengthening those relationships at a jobsite level where the work is really being done. It truly helps us bring products and programs to the market to meet the ever-changing needs of our Komatsu machine owners. ■

In addition to service programs, Komatsu places an emphasis on getting more people in the field to meet with customers and work with the distributors. As a result, the customer-distributor-brand relationship has strengthened. "These programs give customers the opportunity to develop a relationship with someone from Komatsu, in addition to their dealers and sales reps," said Vice President, Parts Sales & Marketing Paul Moore.



TECHNOLOGY TALK

PROVEN VALUE

KOMTRAX helps Jackson Plumbing locate stolen PC35MR excavator

A recent global fraud report showed that more than a third of construction, engineering and infrastructure companies experienced theft during a one-year period. Count Jackson Plumbing among the unlucky few. The Sulphur, Louisiana, company had a Komatsu PC35MR compact excavator stolen from a jobsite.

"At some point during a weekend, someone came along, hooked onto the trailer the machine was on and drove off with both of them," said Jackson Plumbing Owner Jeremy Jackson. "We discovered them missing on Monday morning, and contacted the owner of the project to see if he had taken the machine to a different jobsite. That wasn't the case, so we quickly contacted our Komatsu distributor to locate it."

The distributor pulled up the excavator on KOMTRAX, Komatsu's remote machine-monitoring system. The PC35MR appeared to be about four hours away.

Within ten minutes, KOMTRAX pinpointed the location of the missing machine to the backyard of a new house under construction, and it transferred the coordinates to Google Maps. Because it was new construction, Google Maps couldn't provide an address, but it was able to give a description of the building.

The distributor then provided the description to local law enforcement, who contacted the Sheriff.

"They confirmed the machine was there, and the next day we had someone drive over and pick it up," said Jackson. "Now that I see what KOMTRAX can do, I think I'll get a little more involved with it. It definitely proved its value to us."

KOMTRAX was designed for more than locating a stolen machine. Customers can also call their distributors with service codes to find out what needs to be fixed. The service technicians know what the codes mean, so they can take the needed parts with them in one trip, which saves time and lowers costs. KOMTRAX also tracks machines for services due under Komatsu CARE. Customers can check equipment locations, hours, idle time and other valuable information.

For more details on Komatsu's KOMTRAX machine-monitoring system, contact your local distributor. ■



Jackson Plumbing Owner Jeremy Jackson stands next to the company's PC35MR excavator that was recovered after being stolen. KOMTRAX, Komatsu's remote machine-monitoring system, quickly pinpointed the machine's location. "Now that I see what KOMTRAX can do, I think I'll get a little more involved with it. It definitely proved its value to us," said Jackson.



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A CLOSER LOOK

BUILDING THE FUTURE

First Komatsu Diesel Program students graduate from North Dakota State College of Science

The first group of students from the Komatsu Diesel Program graduated in May. Five General Equipment & Supplies, Inc. students finished the two-year program, which is a joint effort among Komatsu, its distributors and North Dakota State College of Science (NDSCS) in Wahpeton, North Dakota. Road Machinery & Supplies Co. also had one student complete the inaugural program.

"We couldn't have asked for a better group of students for our first graduating class," said General Equipment Technician and Career Developer Ann Pollert. "These students are passionate about diesel. They absolutely exceeded our expectations. We are so proud of them."

After a seven-month diesel technology introductory course at NDSCS, the students began a Komatsu-specific program that rotated eight-week classroom sessions with eight-week paid internships through General Equipment. The classroom/internship structure was designed to help the students gain a complete understanding of Komatsu machines and became accustomed to General Equipment.

"The students have been part of our culture for two years now," reported Pollert. "They know what our shop feels like and what our expectations are. There will be no learning curve. We have spent the last two years getting them ready to join the General Equipment family."

It was a short wait to see members of the first class in action. The students graduated on a Friday, and their first day of work was the following Monday. "Once they walked across the stage, they were full-time employees, with benefits," added Pollert.

"Knowing that I had a job waiting for me when I graduated was really important to me,"

said graduate Alex Lass. "The program was awesome. It was great to apply what I learned in class when I was at an internship site. Everything I learned will eventually be applied in this job."

Pollert hopes the success of the first class can serve as a springboard for future students.

"We have the next group of students enrolled right now, so the hope is that every year we are producing employees who are skilled and ready to work," said Pollert. "NDSCS has a terrific facility, and I think we are just scratching the surface as to what this program can become."

In the future, Pollert hopes that other Komatsu distributors will join General Equipment in sending students to the NDSCS program. Early indicators are positive as the Komatsu program will have 16 students beginning classes this fall. ■



Ann Pollert,
General Equipment &
Supplies Technician and
Career Developer

(L-R) General Equipment Vice President of Service Steve Stafki meets with Komatsu Diesel Program graduates Alex Lass, Nathan Dokkebakken, Grant Davis, Alex Christensen, Landon Caughey and General Equipment Technician and Career Developer Ann Pollert.



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HANDS-ON EXPERIENCE

WINNING TEAM

Komatsu partnership creates mutual benefits for Extreme Sandbox and local distributors

For Extreme Sandbox Founder and CEO Randy Stenger, 2016 has been a banner year. After appearing on ABC's "Shark Tank," business has been booming for the company. Extreme Sandbox formed an exclusive partnership with Komatsu and opened a second location north of Dallas, in addition to its original site in Hastings, Minnesota.

Through its partnership with Komatsu, Extreme Sandbox's two locations have developed a close relationship with local Komatsu distributors.

"Both distributors are first-class all around, and they were instrumental in helping us make the switch to Komatsu," said Stenger. "It's been great to have local partners."

In addition to providing machines and service for Extreme Sandbox, the relationship gives the distributors the opportunity to host events like product demonstrations and participate in High School Heavy Equipment Camps, which are designed to provide students with information about careers in the industry and give them hands-on experience with the equipment.

"We started these camps because we noticed a skills gap," said Stenger. "High schools don't have the resources to do things like this, so we came up with a way to help kids experience various equipment. It's been a great way to get the students excited about the industry."

Excellent facilities

One of the major bonuses for distributors is having a top-notch facility so close that can be utilized for product demonstrations.

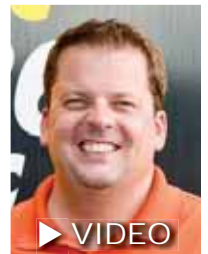
"To give customers a definite address to a product demonstration is amazing," remarked

Dave Johnson, Chief Operating Officer at Road Machinery & Supplies Co., the Komatsu distributor in Minnesota. "The 10-acre site is specially designed for using heavy equipment; we can do everything we want to do there. Plus, if the weather is bad, we are able to move inside to their 6,000 square-foot facility that has three garage bays and a classroom. This is a far better alternative to standing in an open field with a tent."

Kirby-Smith Machinery Dallas Branch Manager David Cooper echoed those comments. "The site is great for us, as it's in the middle of our company's service area. The location features a restaurant, golf course, hotels, fishing and a pool. It's first-class."

For Extreme Sandbox and the distributors, it's a win-win relationship.

"The benefits extend beyond a dealer-customer one," explained Johnson. "We are proud to work with Randy and Extreme Sandbox, and we are very excited to see how the relationship continues to grow in the future." ■



▶ VIDEO
Randy Stenger,
Extreme Sandbox
Founder/CEO

The Extreme Sandbox location in Hastings, Minnesota, features a 10-acre area for machine demonstrations and a 6,000-square-foot facility complete with a three-bay garage and classroom space.



RISING PRICES

Construction index shows costs up due to increased activity, lack of skilled labor

Turner Construction's recent building-cost index showed that increases in construction costs are being driven by a rising level of activity and limited availability of skilled labor in busier markets. The index measures costs in the U.S. nonresidential building construction market.

Turner Construction's recent building-cost index showed that increases in construction costs are being driven by a rising level of construction activity and limited availability of skilled labor in busier markets. A National Association of Homebuilders' report noted that the number of available construction positions rose to 193,000 in February, a post-recession high.

The index indicated the market has increased to a value score of 970, a 1.15 percent increase from the fourth quarter of 2015 and a 4.64 percent yearly increase from the first quarter of 2015.

"The shortage of skilled labor is outweighing the impact of declining material prices," said Atillio Rivetti, Turner Vice President. "As the volume of work remains relatively high, we expect subcontractors to continue to be strategic in their pursuits, ultimately resulting in upward cost pressures."

Job openings hit post-recession high

The index was released about the same time as the National Association of Homebuilders' (NAHB) analysis of the U.S. Bureau of Labor Statistics' Job Openings and Labor Turnover Survey that showed the number of available construction positions rose to 193,000 in February, a post-recession high.

NAHB noted that the number of open positions has increased for several years following the Great Recession. The organization reported that the number of residential construction workers has reached more than 2.5 million, with homebuilders and remodelers adding nearly 600,000 to payrolls since the recession. However, the number of unfilled jobs in construction persists and is causing concern.

Hiring is expected to continue as the homebuilding industry grows, according to NAHB. Multifamily construction spending – the value of property placed in service – reached an annual pace of \$59.7 billion in February, up 24.4 percent on a year-over-year basis. Single-family spending came in at an annual rate of \$235 billion. ■



SIDE TRACKS

On the light side



"Did you bring your hard hat? Your wife says you'll need it when you get home."



"... and another thing - remove your ear plugs when I'm talking to you!"



"Honey, where's my rubber bulldozer?"

Did you know?

- As of 2009, humankind had only mined 165,000 metric tons of gold.
- Catfish are the only animals that naturally have an odd number of whiskers.
- Birds do not urinate.
- Mars, Inc. produces more than 400 million M&M's® every day in the United States.
- An elephant will spend an average of 16 hours of its day eating.
- Dogs have 1,700 taste buds on their tongues; humans have 9,000.
- The most recorded points for a word in Scrabble is 1,782. The word, oxyphenbutazone, was played across three triple-word score squares and made seven crosswords.
- The Mona Lisa is not painted on a canvas, but on three pieces of wood roughly an inch and a half thick.
- Rock, Paper, Scissors has an official governing body – the World Rock, Paper, Scissors Society – and a seven-rule, player responsibility code.

Brain Teasers

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

1. I D B _ _ _ _
2. D R G E A _ _ _ _ _
3. E C L E Y C R _ _ _ _ C _ _ _
4. E T C V X A E A _ _ _ _ A _ _ _ _
5. N D O E I M T O L I _ _ _ _ L _ _ _ _

MORE INDUSTRY NEWS

Komatsu, Cummins announce global corporate responsibility partnership

Komatsu and Cummins have enjoyed a strong business relationship, including working together for decades to provide equipment in mining and construction markets. Recently, the two companies strengthened their ties with a new global corporate responsibility partnership.

"We share a common commitment to producing and supporting products in a responsible manner, as well as promoting education and improving opportunities for the people in the communities where we do business," said Tetsuji Ohashi, CEO of Komatsu Ltd. "A partnership that helps the people of our communities will make our

business relationship stronger. It is with great enthusiasm that Komatsu enters into this global collaboration with a trusted partner like Cummins."

Both companies have invested in technical education in their communities. Prior to formalizing this global relationship, Cummins and Komatsu partnered in other community projects. In the United States, Cummins and Komatsu, along with other partners, launched the Diesel Technicians Pathways Program in Utah that includes two high school diesel programs as well as a community college program. ■

NTC America joins Komatsu America Industries

The laser machine business of NTC America Corp, commonly referred to as NTC Laser, joins Komatsu America Industries LLC, making Komatsu the sole source for NTC laser products in North America. Customer contacts for NTC's sales, service, support and parts remain the same for now.

According to sources for both companies, the aim of the transition is to provide improved sales and service support as well as new products to meet future customer needs. Products include five-axis, 3D laser systems for complex contours and shapes; three-axis hybrid machines for large workplaces; and other laser-cutting machines. ■

AEM, Northwestern study looks at infrastructure's future

The Association of Equipment Manufacturers (AEM) and Northwestern University unveiled an in-depth study looking at future trends and opportunities influencing how U.S. transportation infrastructure will move people and goods in the year 2050. The full infrastructure study can be downloaded at www.aem.org/IV2050.

This study was produced by a multidisciplinary team at Northwestern University, including experts in the fields of civil and environmental engineering,

economics and sustainability. The group also reviewed the study's findings and discussed how to leverage future opportunities, technologies and trends in pursuit of a national and comprehensive plan for U.S. infrastructure.

"The objective of the study was not to predict the future, but to frame scenarios and trends that will inform the public and policymakers about what is possible," said Ronald De Feo, Chairman of AEM's Infrastructure Vision 2050 Task Force. ■

IEA expects oil prices to stay low throughout 2016

The International Energy Agency (IEA) expects oil prices to stay low throughout 2016 as oversupply continues. In its Medium-Term Oil Market Report, the IEA said supply will outpace demand by up to 1.1 million barrels per day.

"Only in 2017 will we finally see oil supply and demand align, but the enormous stocks being accumulated will act as a dampener on the pace of recovery in oil prices when the market, having balanced, starts to draw down those stocks," according to the report. ■

Pipeline groups pursue inspector certification

Pipeline industry groups announced support for certification of all pipeline inspectors during the next two years. The groups note that standardized certification would improve the quality of new construction.

"Safe pipeline construction and quality materials help ensure safe operation," said Donald Santa, President and CEO of the Interstate Natural Gas Association of America. "Having certified inspectors helps everyone raise the bar." ■



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