

POWER

EQUIPMENTTEER

A publication for and about Power Equipment Company's customers • 2010 No. 3



NEW PC228USLC-8

Tight-tail-swing excavator provides increased lifting capacity in a variety of applications

See article inside . . .



KOMATSU

A MESSAGE FROM THE PRESIDENT



Chris Gaylor

**More than an
equipment
distributor**

POWER
EQUIPMENT

3300 ALCOA HIGHWAY • KNOXVILLE, TENNESSEE 37920-5558
(865) 577-5563 • FAX (865) 579-7370

Dear Valued Customer:

Being a heavy equipment distributor is about more than just selling machinery. You expect responsive service and quality parts to support what's likely the largest investment in your business. Our mission is to be a leader in those areas.

At Power Equipment, we carry a large inventory of parts based on the machinery we've sold, as well as our customers' recommendations. We're well-stocked with common wear parts, filters and other items that are immediately available. If there's a part we don't have in stock, in most cases, we have the capability to get it to you the next day.

We've teamed up with the best equipment manufacturers in the industry. We do that because they are also committed to providing you the service and support needed to minimize your downtime and maximize productivity. This issue of your *Power Equipmenteer* features an article focused on one aspect of Komatsu's parts capabilities: the Ripley Central Parts Operation, which warehouses and delivers thousands of parts across the globe every day. I believe you'll find it an interesting read.

If you need parts installed, or any other type of service done, we're ready to help. Our team of trained technicians has the know-how and skills to diagnose and fix issues quickly. That's true of Komatsu equipment, other manufacturers' products we carry and competitive brands as well.

Power Equipment is committed to being your "one-stop shop" for sales, parts and service. Contact any of our branch locations and see how we can help you find the right equipment for your needs and the parts and service to minimize downtime and keep you up and running productively.

Sincerely,
POWER EQUIPMENT COMPANY

Chris Gaylor
President

POWER EQUIPMENTTEER




NEW!

To see video of machines in action look for this symbol and go to www.PowerEquipmentteer.com

IN THIS ISSUE

BOBBY SWANSON CONSTRUCTION

Read how this northern Georgia contractor has built on a reputation for delivering projects on-time and on-budget.

SPECIAL EVENTS

Here's a recap of what some Power Equipment customers saw and did at Komatsu's recent Demo Days event.

TRADE SHOW NEWS

Get ready for CONEXPO 2011 with this preview of what you can expect at next year's premier construction event.

NEW PRODUCTS

Komatsu's new PC228USLC-8 excavator has the power and lifting capacity you need in a compact and efficient package. See how this machine fits in a variety of applications.

MORE NEW PRODUCTS

See why significantly improved comfort and performance make Komatsu's new PC650LC-8 excavator more productive.

PRODUCT SUPPORT

Read all about Komatsu's Central Parts Operation and how it works around the clock to minimize your downtime with on-time parts deliveries.

ON TRACK

Are you a racing fan? If so, you'll enjoy reading about Komatsu's sponsorship of NASCAR and NHRA race cars.

Published by Construction Publications, Inc. for

POWER
EQUIPMENT

THE POWER TO
PERFORM

www.powerequipco.com

An equal opportunity, affirmative action employer

KNOXVILLE

3300 Alcoa Highway
Knoxville, Tennessee 37920
(865) 577-5563
1-(800) 873-0961 (TN)

CHATTANOOGA

Highway 58 at 153
Chattanooga, Tennessee 37406
(423) 894-1870
1-(800) 873-0963 (TN)

NASHVILLE

1290 Bridgestone Parkway
LaVergne, Tennessee 37086
(615) 213-0900
1-(800) 873-0962 (TN)

MEMPHIS

3050 Ferrell Park Cove
Memphis, Tennessee 38116-3502
(901) 346-9800
1-(800) 873-0965 (TN)

KINGSPORT

1487 Rock Spgs. Rd.
Kingsport, Tennessee 37664
(423) 349-6111
1-(800) 873-0964 (TN)

TUPELO

1545 Highway 45
Slatton, Mississippi 38866
(662) 869-0283
1-(800) 873-0967

THE PRODUCTS PLUS THE PEOPLE TO SERVE YOU!

CORPORATE OFFICE

Chris Gaylor, President
Ph: (865) 579-7301
Andy Moon, Vice President, Sales
Ph: (865) 579-7307
Shawn Robins, VP, Product Support
Ph: (865) 579-7351
Jim McNeillie, Vice President/Finance Manager
Ph: (865) 579-7310
Steve Woodby, Corporate Rental Sales Manager
Ph: (865) 755-4886
John Noble, Sales Administration Manager
Ph: (865) 579-7346 and cell (865) 414-9515
Rick DeSpain, Product Support Marketing Manager
Ph: (865) 228-8496
Grace Smith, Equipment Sales Administrator
Ph: (865) 579-7305
Becky Frye, Executive Secretary
Ph: (865) 579-7304
Tracy Hitch, Controller
Ph: (865) 579-7332

NASHVILLE

Benjamin E. Sparks,
Regional Sales Mgr.
(615) 370-3789
Dennis Dorris, Sales Coord.
(615) 287-2552
Buddy Miller, Equip. Sales
(615) 604-9383
Joe Tant, Equip. Sales
(931) 626-8276
Marty Dawson, Parts Mgr.
(615) 428-3706
Jim Good, Service Mgr.
(615) 767-8711
Mike Pope, Assistant Service Mgr.
(615) 944-1114
Roger Jackson,
Customer Support Rep.
(615) 210-1366
Greg Whiteaker,
Rental Sales Rep.
(615) 394-0914

KNOXVILLE

Todd Nelson,
Regional Sales Mgr.
(865) 599-1272
Eric Tucker, Sales & Rental Coord.
(865) 356-6017
Lin Davidson, Equip. Sales
(865) 599-0587
Greg Kiser, Equip. Sales
(865) 776-1221
Don Ilgen,
Service Mgr.
(865) 223-3191
Rick Herron,
Parts Mgr.
(865) 659-5320
Steve McDaniel,
Assistant Service Mgr.
(865) 556-6552
Wes Cowden, Rental & Utility
Sales Rep.
(865) 388-5119

CHATTANOOGA

Todd Nelson,
Regional Sales Mgr.
(865) 599-1272
Eric Tucker,
Sales and Rental Coord.
(865) 356-6017
Tim Storey,
Equip. Sales
(423) 413-1360
Brian Moore,
Customer Support Rep.
(770) 891-9115
Tim Easterly, Service Mgr.
(423) 298-3721
David Daughtrey,
Parts Mgr.
(423) 593-6157

MEMPHIS

Darryl Thompson,
Regional Sales Mgr.
(901) 346-9800
Chris Burke, Assistant Regional
Sales Mgr. & Rental Coord.
(901) 288-7957
Jim Burford, Equip. Sales
(901) 412-9434
Dewey Smith, Equip. Sales
(901) 488-5304
Jimmy Spence, Equip. Sales
(731) 225-3257
Michael Hunter, Parts Mgr.
(901) 237-5462
James Ireland, Service Mgr.
(901) 482-7135
James Sparks,
Assistant Service Mgr.
(901) 481-4932

TUPELO

Darryl Thompson,
Regional Sales Mgr.
(901) 346-9800
Chris Burke,
Sales Coord.
(901) 288-7957
Mark Holley, Parts Mgr.
(662) 419-4082
James Ireland, Service Mgr.
(901) 482-7135
Brad Hughes, Shop Foreman
(662) 678-1751
Chad Roberts, Forestry Equip.
Sales Specialist
(662) 416-2962
Daniel Morgan, Equip. Sales
& Rental Sales
(662) 231-6260
Kirk Greer, Customer Support Rep.
(662) 322-0465

KINGSPORT

Todd Nelson, Regional Sales Mgr.
(865) 599-1272
Adam Sanders, Equip. Sales
(423) 361-0955
Eric Tucker, Sales & Rental Coord.
(865) 356-6017
Junior Bowman, Parts Mgr.
(423) 817-2668
Gary McQueen, Service Mgr.
(423) 471-1900
Matt McQueen, Customer
Support Rep.
(423) 360-4746

KOMATSU

Printed in U.S.A © 2010 Construction Publications, Inc.

BOBBY SWANSON CONSTRUCTION

Northern Georgia contractor builds on solid reputation with word-of-mouth referrals



Chad Swanson,
Owner

During the past two years, Bobby Swanson Construction has worked on and off on what Owner Chad Swanson describes as one of the Graysville, Ga., company's best projects. Bobby Swanson Construction has done all the excavation and related site work on a homesite, including construction of a six-acre lake.

"Although, it's a little longer time frame than normal, it highlights what I like to do for our customers: provide an entire package of service," said Swanson. "We do clearing, bulk and final grading for building pads and parking lots, and utility installations. Basically anything that involves earthwork, we perform for residential and commercial customers alike."

The project also points out another aspect of what's made Bobby Swanson Construction successful throughout the years, and that's work garnered through referrals. Because Swanson offers a package of services — he'll

also break out individual components — and focuses on customer satisfaction, he's put together a long list of repeat customers who willingly put the word out that Bobby Swanson Construction can deliver a project on time and on budget.

"That's the best form of advertising we could ask for," emphasized Swanson. "It reinforces that our attention to customer satisfaction pays dividends. I've always believed that focusing on that and not worrying about being the biggest guy on the block is best."

But Bobby Swanson Construction has grown, especially in the past 15 years under Chad's leadership. Chad's father, Bobby, founded the company in 1975 and passed away in 1995. Chad, who had worked for his dad during summers growing up, dropped out of college and came home to run the business.

"At the time, we had one tandem dump truck and a few other pieces of equipment. The emphasis was mainly residential work, such as footings, lot clearing and smaller earthwork," recalled Swanson. "The business has grown to where we've been doing much more road and sewer work in subdivisions, and we've even subbed out work to highway contractors. Much of the credit for our success has to go to my employees, some of whom were with the company when I took over."

Bobby Swanson Construction employs seven, including Curtis Ridley and his uncle Charles, Stanley Gordy, George Ingle, Jimmy Reeves and Chris Coker.

Added services

Swanson also opened a material pit that supplies topsoil and other dirt for Bobby

(L-R) The Bobby Swanson Construction team includes Owner Chad Swanson, Jimmy Reeves, George Ingle, Curtis Ridley, Stanley Gordy and Chris Coker (not pictured).



Swanson Construction projects as well as to other contractors. In addition, during the past two years, he's added heavy hauling to his list of services. The construction side of the company works in about a 50-mile radius of Graysville, but the heavy-hauling arm goes well beyond that.

"We've hauled equipment as far as Kentucky," noted Swanson. "It all depends on customer needs. I'm not interested in explosive growth, but I do believe in adding on where we can, and the pit and heavy hauling were logical choices."

Komatsu, Power Equipment terrific

One of Bobby Swanson Construction's heavy-hauling clients is Power Equipment, with whom Swanson has a long-term relationship. Through the years, Swanson has worked with Power Equipment to purchase several pieces of machinery, including the Komatsu PC400LC-7 and PC50MR excavators he currently owns.

"The PC50 allows us to get into places a bigger machine won't go, and still provides good digging power," noted Swanson, who also purchased a Tramac hammer from Power Equipment. "It's a very versatile machine because we can also use it in open areas for a variety of tasks such as dressing up a building pad or digging footings. We use the PC400 quite a bit at the material pit to load trucks. We bought it used from Power Equipment's certified rental fleet. Even with hours on it, it performed very well and continues to be a very productive machine."

Helping keep Bobby Swanson Construction productive is service from Power Equipment's Chattanooga branch. "We handle the routine stuff, but call on Power Equipment as needed for any repairs or service beyond that. They've always been there when we needed them, and I can't say that for every dealer we've dealt with in the past. Our Territory Manager, Tim Storey, is terrific to work with."

Remains optimistic

Like many in the construction industry, Swanson has seen a slowdown in work the past couple of years, but that hasn't deterred him from continuing to build Bobby Swanson Construction where he can. He still maintains optimism for the future.



Bobby Swanson Construction recently opened a material pit near its home base of Graysville, Ga., where the company uses its Komatsu PC400LC-7 excavator to load its own trucks along with other contractors' trucks.



For tight areas where a larger excavator won't work, such as a bridge over a small stream crossing, Bobby Swanson Construction uses this PC50MR-3. "It provides good digging power. It's a very versatile machine because we can also use it in open areas for a variety of tasks, such as dressing up a building pad or digging footings," said Owner Chad Swanson.



(L-R) Bobby Swanson Construction Owner Chad Swanson works with Power Equipment Territory Manager Tim Storey and Regional Sales Manager Todd Nelson. "They've always been there when we needed them, and I can't say that for every dealer we've dealt with," said Swanson of Power Equipment's sales and service help.

"Being a little diversified with the hauling and the material pit helps out," observed Swanson. "I believe we've built a good reputation based on our ability to deliver on our word, and businesses that do that tend to weather the downturns better." ■

KOBELCO

KOBELCO CRANES NORTH AMERICA, INC.

Reliability is the History of Quality



CK1000



CK1600

Kobelco's Commitment To Quality Begins With Our Dealer Network

POWER

EQUIPMENT

**THE POWER TO
PERFORM**

MEMPHIS, TN • (901) 346-9800
KNOXVILLE, TN • (865) 577-5563

KINGSPORT, TN • (423) 349-6111
CHATTANOOGA, TN • (423) 894-1870

TUPELO, MS • (662) 869-0283
NASHVILLE, TN • (615) 213-0900



CK2000



CK2500

10845 Train Court - Houston, TX 77041 | Ph: 713.856.5755 | Fax: 713.856.9072
www.kobelcocranesnorthamerica.com

SPECIAL EVENTS

TAKING A "TEST DRIVE"

Demo Days is an opportunity to operate new equipment in a "real-world" environment

All of Komatsu's newest product offerings were featured at a Demonstration Days event at the Komatsu Training Center in Cartersville, Ga., in early November. A number of Power Equipment customers were among those attending. New models that were available for equipment users to "test drive" were the D65EX/PX-16 dozers, the PC450LC-8 hydraulic excavator and the GD655-5 motor grader.

"The goal with Demo Days is to give our distributors and their customers an opportunity to run our newest machines in a simulated 'real-world' environment," said Bob Post, Komatsu Director of Marketing Relations and Sales Training. "Our Cartersville facility has a large proving ground for digging, pushing, loading and hauling, to give equipment users a good feel for what the machines will do for them on their jobsites."

Other machines at Demo Days included the revolutionary D39-22 and D51-22 dozers; a D155AX-6 with Sigma blade for improved material carrying; a PC800LC-8 excavator; and the world's first hybrid hydraulic excavator, the Hybrid PC200LC-8. Also on hand were a WA600-6 wheel loader and the HD605 haul truck, among others.

In addition to machine demos, many attendees also visited Komatsu's Chattanooga Manufacturing Operations, the Tennessee plant that produces many Komatsu excavator models. ■

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



A group of customers from Memphis/Tupelo branches attended Komatsu Demo Days. Among them were (L-R) Mitchael Johnson and Michael Smith of Johnson Construction, Daniel Morgan and James Ireland of Power Equipment, and Lynn Turner of Big Lynn's Dirtworks.



(L-R) Power Equipment Sales Rep Jim Burford of the Memphis branch is with David Griffith, Lehman-Roberts and Andrew Frosdick, Grayco Construction.



Daniel Morgan of Power Equipment's Tupelo, Miss., branch (left), checks out a D155 dozer with Mark McGonagill of D. Carroll Construction, Oxford, Miss.

Attending Demo Days at the Komatsu proving grounds in Georgia is a way to try out all the new Komatsu machines in one place at one time.



CONEXPO COMING

Next year's big construction industry event to be even larger than its predecessors

When CONEXPO-CON/AGG was held in 2008, it counted itself the largest construction industry event of its kind with attendance topping 144,000. When it returns to Las Vegas in 2011, that claim may not hold, as CONEXPO-CON/AGG is expected to be even larger.

CONEXPO-CON/AGG will be held at the Las Vegas Convention Center March 22 to 26 with more than 2 million square feet of exhibit space that features a wide variety of equipment, educational opportunities and technology. The event is held in conjunction with the International Fluid Power Expo (IFPE), an exposition and technical conference dedicated to the integration of fluid power with other technologies for power transmission and motion control applications. It's on pace to top more than 126,000 square feet.

"These numbers are especially gratifying given the continued slowdown in the manufacturing

sector," said Megan Tanel, Vice President Exhibitions and Events for the Associated Equipment Manufacturers (AEM). "We value the industry support we're receiving as we strive to offer the industry a gathering place to sell their equipment, products and services as well as network with their peers."

More networking opportunities will be available with the addition of the International Concrete (ICON) Expo, which will be co-located with CONEXPO-CON/AGG and IFPE. Presented by the National Concrete Masonry Association (NCMA), ICON is designed to serve the needs and interests of all producers, suppliers, designers, architects and others involved in the concrete products industry.

Learning opportunities

Attendees can also learn how to make their businesses more efficient and profitable with a wealth of educational opportunities presented by industry experts.

More than 125 educational sessions are available in nine categories: Aggregates, Asphalt, Concrete, Earthmoving and Site Development, Equipment Asset Management, Management Best Practices, Recycling/Sustainability, Safety and Workforce Development. Within each, attendees can find such topics as how to secure the most profitable projects in your area; unlimited alternatives to money — business to business credit; cash management and forecasting through tough times; tips on working with federal and state legislators to help shape projects; and work force 2012 and beyond.

Sessions generally run 90 minutes and include materials attendees can take with them for future reference. Educational credits are available for many sessions.

CONEXPO-CON/AGG will be held March 22 to 26, 2011, at the Las Vegas Convention Center. More than 2 million square feet of exhibit space will feature the latest in machinery and technology for the construction industry.





Komatsu will highlight its Hybrid PC200LC-8 excavator, as well as new equipment with Interim Tier 4 engine technology that goes into effect at the beginning of next year.

Also new in 2011 is an enhanced Safety Zone with an innovations theater and simulators that feature exhibits and demonstrations from industry and government groups, including OSHA, MSHA and others.

In addition, CONEXPO-CON/AGG will hold a Green Roads Summit designed to offer insight into how sustainability efforts affect current and future road construction projects.

Easy navigation

As in the past, event organizers are making it easier to navigate around the site. Similar products and companies will be grouped together. For instance, those interested in earthmoving equipment can find it in the North Hall, part of the Central Hall, the Riviera Pavilion and the Gold, Blue and Riviera lots outside the convention center.

Komatsu will display more than 20 products, including its revolutionary Hybrid PC200LC-8 excavator as well as products that feature new Interim Tier 4 engine technology which goes into effect at the beginning of 2011 for a large number of construction machines. In its 30,000 square feet of display area in the North Hall (Booth 1009) will be excavators, dozers, motor graders, trucks and more. Komatsu personnel will be on hand to provide information and answer questions.



Komatsu's 30,000-square-foot display area will showcase machinery as well as technology, such as its KOMTRAX remote machine-monitoring system that allows users to track hours, location, service intervals and other valuable information from a secure website.

A theater presentation in its exhibit space will highlight product features and the service and programs Komatsu and its distributors offer in support. One program Komatsu will showcase is its KOMTRAX remote machine-monitoring system that's standard on most new machines and free for the first five years.

Continued . . .

Komatsu display features new technology

... continued

Past attendees enjoyed Komatsu's video simulators, so a six-person video game center will be part of the exhibit space at the upcoming expo. It features a Komatsu HM300 articulated truck in a race through a fictional construction site. A company store with items

such as apparel and die-cast models rounds out Komatsu's display.

Other product concentration areas for lifting equipment, asphalt paving and production, concrete paving and production, aggregate processing and heavy-duty trucks and mixers will be set up at the expo. Sub-specialties such as engines, hydraulics, lubricants, tires and components have their designated areas as well.

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

A positive experience

In addition to AEM, there are several organizations that sponsor CONEXPO-CON/AGG, including many with which attendees are affiliated. Among them are the American Concrete Pavement Association, American Road & Transportation Builders Association, The Associated General Contractors of America and Land Improvement Contractors of America.

Statistics show that the vast majority of those who attend CONEXPO-CON/AGG and its co-located shows see it as a positive experience. About 80 percent of attendees at the 2008 event rated it as excellent or very good.

According to a recent AEM survey of contractors, industry customers cite new products, such as those displayed at CONEXPO-CON/AGG, IFPE and ICON, and access to industry experts as key reasons for attending these types of shows. Organizations believe the shows provide valuable benefits to attendees and exhibitors alike.

"What remains the same is (our) commitment to offer a quality show experience and outstanding customer service," said IFPE Show Director Melissa Magestro. "We are industry-run shows and delivering maximum value to attendees and exhibitors is our top priority."

For more detailed information on the show, visit www.conexpoconagg.com. ■



Product managers and other personnel will be on hand to provide information and answer questions about how Komatsu can help your business.

As in past years, Komatsu will feature a large display area that highlights many of its new products, including wheel loaders and excavators.





D155AX-6

100%

performance
(using 25% less fuel*)

KOMATSU[®]

Being the best is never good enough. Just as you're always looking for ways to grow your business, Komatsu is constantly working to improve the tools of your trade. We have a long history of innovation across all our lines of heavy equipment and a long list of dedicated customers who count on these innovations as a competitive edge.

- Pushes larger loads
- Reduced operating costs
- Easier serviceability
- Improved operator comfort

Put the best the industry has to offer to work on your next job and discover your competitive edge.

100% Komatsu.

866.513.5778

www.komatsuamerica.com



KOMATSU

DASH-8 SERIES

100%^{LC}

(the LOGICAL CHOICE
for your next excavator)

KOMATSU[®]

Komatsu excavators have set the standards for productivity, operator comfort and reliability over the years. And, with the introduction of our mid-sized -8 series, the standards have been raised yet again.

- Tier-3 engines deliver reduced emissions without sacrificing power or productivity.
- Electronics, engine and hydraulics are optimized for maximum efficiency and minimum fuel consumption (10% reduction compared to -7 models).
- Multi-function LCD monitor provides critical operating information at a glance (and it can do this in 10 languages).

From enhanced safety features to extended maintenance intervals, the PC200LC-8, PC220LC-8 and PC270LC-8 show what happens when the best engineers put the latest technology to work. The results are always...

100% Komatsu.

866.513.5778 www.komatsuamerica.com

NEW PRODUCTS

NEW PC228USLC-8

Tight-tail-swing excavator provides increased lifting capacity in a variety of applications

There are times and conditions when a large excavator is not feasible, but you still need power and lifting capacity to get the job done. Komatsu's new tight-tail-swing PC228USLC-8 provides both in a compact and efficient package.

The new PC228USLC-8 replaces the previous Dash-3 model with nearly 3,000 pounds of added counterweight mass that helps provide additional lifting capacity over the front and side. More counterweight mass adds operating weight as well and provides better stability in all digging and lifting projects, including road and bridge construction, as well as urban applications.

"The new PC228 is really a versatile machine that practically anyone who moves earth can appreciate, and that includes utility contractors," said Product Manager Doug Morris. "Customers tell us they love the tight-tail-swing excavators, so we took the best features of our previous model and built upon that with their input. The results are great."

At the same time Komatsu beefed up the PC228USLC-8, it decreased fuel consumption and hydraulic loss through an enhanced Closed Center Load Sensing system that features variable speed matching (VSM) that optimizes performance of the engine and hydraulic systems. VSM gives operators power on demand when needed. In addition, piping size on the bucket circuit is increased, and a newly added quick-return valve reduces hydraulic loss for better efficiency.

The operator can further control efficiency using the machine's five working modes (Power, Economy, Lifting, Breaker and Attachment) that match engine speed, pump flow and system pressure to a specific application. The PC228USLC-8 also has a one-touch Power Max

Function that increases digging force by 8 percent for 8.5 seconds in hard-digging applications.

Cab enhancements reduce operator fatigue

By making the PC228USLC-8 cab spacious and comfortable, Komatsu reduces operator fatigue for increased productivity. The pressurized cab minimizes the amount of dust entering the operating platform and its rigid frame is damper mounted for reduced noise and vibration levels.

"The PC228USLC-8 is really the best of both worlds," said Morris. "You get plenty of power and stability in a more efficient package. That means lower operating costs, which is something everyone can appreciate." ■



Doug Morris,
Product Manager

Brief Specs on Komatsu PC228USLC-8

| Model | Operating weight | Horsepower | Bucket capacity |
|-------------|--------------------|------------|--------------------|
| PC228USLC-8 | 53,195-54,405 lbs. | 148 hp | 0.66-1.57 cu. yds. |

Added counterweight highlights a list of features that give the PC228USLC-8 greater lifting capacity, productivity and efficiency.





930E

100% PROVEN
(KOMATSU ELECTRIC DRIVE HAUL TRUCKS)

KOMATSU[®]

When it comes to building electric drive trucks that are rugged enough to stand up to the day-to-day demands of mining operations, one company has the proven track record to deliver the reliability you need to compete—Komatsu. If you look at the number of Komatsu electric drive trucks in service today and count the years of reliable service they've delivered, you'll see we have the engineering, manufacturing and application experience to help you stay profitable for years to come.

If you want to move more material, more cost-effectively, day after day, choose a proven solution.

100% Komatsu.

866.513.5778 www.komatsuamerica.com

MORE NEW PRODUCTS

KOMATSU'S 143,000-lb. EXCAVATOR

Increased comfort and performance in the new PC650LC-8

Depending on your point-of-view, the Komatsu PC650LC-8 hydraulic excavator is a large mid-size machine or a smallish large machine. Regardless of where it fits in your fleet, the approximately 143,000-lb., 429-hp unit is a productive, reliable piece of equipment that has improved upon the PC600LC-8.

The most significant improvements of the PC650LC-8 center around an improved operator environment that provides better operator comfort and control. The new, highly rigid cab includes a heated, high-back, air-suspension seat; a seven-inch LCD color monitor panel; and a standard rearview camera that gives the operator the visibility and control to maximize productivity.

Additionally, an Arm Quick Return Circuit on the PC650LC-8 returns a portion of oil flow to the hydraulic tank at arm dumping to reduce hydraulic pressure loss. Combined with a new Arm Regeneration Valve, the work equipment speed has increased, enabling faster truck loading.

Beyond these direct comfort and performance improvements, the PC650LC-8 has other features that owners and operators will appreciate. For example, the boom and arm have been strengthened; a fuel pre-filter with water separator is standard equipment; and the renowned Komatsu hydraulic system is protected with the most extensive filtration system available, including high-pressure in-line filters for each main pump. These features improve machine reliability and reduce the likelihood that the unit will break down on the job, resulting in costly downtime.

The PC650LC-8 is also a class leader in terms of reducing fuel consumption and harmful emissions. It offers several operational modes

that allow the operator to match engine output to the work at hand, thereby lowering fuel consumption.

As with all Komatsu excavators, the PC650LC-8 comes with an industry-leading, low-noise, comfortable cab; easy access to maintenance and service functions; and the KOMTRAX machine monitoring and management system that allows your distributor to help you keep an eye on your machine to assure that it's running properly and to remind you about service intervals. ■


For more information on the PC650LC-8, contact your Sales Rep or the nearest branch location.

Brief Specs on Komatsu PC650LC-8

| Model | Power | Operating Weight | Bucket capacity |
|-----------|--------|------------------|-----------------|
| PC650LC-8 | 429 hp | 143,411 lbs. | 2-5 cu. yd. |



Significant improvements in comfort, control and performance make the new Komatsu PC650LC-8 a more productive excavator.



KOMATSU

You have my complete attention.

100%
rock solid service

On the job site, being on time and having your equipment up and running is important to your bottom line. At Komatsu®, we make customer service our number one priority. Our unending commitment to customer satisfaction can be seen through our ability to get most replacement parts to you within 24 hours or less. Plus, when we service your equipment, we'll get it right the first time – thanks to a team of certified, factory-trained mechanics throughout our distributorship network. We're committed to making sure your Komatsu equipment gives you maximum productivity and peace of mind.



KOMATSU

866.513.5778 www.komatsuamerica.com

KA-14

ON-TIME DELIVERIES

Komatsu's Central Parts Operation works around the clock to minimize your downtime

Tour Komatsu's Ripley parts facility and you will find what looks like a beehive of activity. Row upon row of parts bins stretch out in every direction. Employees on foot, on carts and on forklifts are in constant motion, darting down aisles and aisles of Komatsu parts. They're restocking shelves and bins, pulling parts for routine and emergency distribution and working to ensure orders are filled and in customers' hands quickly.

Sitting on 56 acres of an industrial park in Ripley, Tenn., the warehouse is Komatsu's Central Parts Operation (CPO), the main hub that handles parts distribution for Komatsu distributors and their construction, utility and mining customers throughout the world. General Manager Terry Varner, who oversees operations, said the importance of what the CPO does cannot be overstated.

"What we do has a dramatic effect on people's livelihood," stated Varner, a nine-year veteran of the CPO. "We supply the parts that people make their living with, and how quickly we get parts to them often determines profit or loss on a job. It's not like the automotive industry, where, if a part isn't available, owners can find an alternate way to get where they're going until it is. There are more time constraints with construction and mining businesses. We're working to ensure they have what they need just as quickly as possible.

"For example, we have overlapping shifts throughout the day, with one time period from about noon to the middle of the afternoon that's dedicated solely to filling emergency orders," Varner added. "Emergency orders are shipped the same day they're placed, no matter where the order comes from. Our goal is to get those parts where they need to be first thing in the morning. That's not always possible on

international shipments, but limiting customer downtime is an obvious priority."

In order to ensure that the hundreds of daily parts orders are delivered in a timely manner, the CPO is open 24 hours a day, seven days a week. Filling that many orders may seem like a daunting task to someone visiting the CPO — something Varner encourages — but he says it's all in a day's work for the dedicated and experienced staff. There are about 150 employees working at the warehouse, which has 584,000 square feet of indoor storage and another 150,000 outdoors.

"Komatsu started using this facility in 1991, and several staff members have been here since day one," said Varner, who noted recent additions to the facility include Spanish-speaking customer service agents. "We have a very self-motivated work force



Terry Varner,
General Manager

Continued . . .

Komatsu's Central Parts Operation in Ripley, Tenn., has more than a half-million square feet of indoor storage space and 150,000 square feet more outdoors.



CPO stocks new parts, reman components

... continued



George Terrell,
Parts Distribution
Manager

that knows exactly what to do when an order comes in, whether it's a routine function, such as putting items in the bins, or filling an emergency order. They understand deadlines and work hard to meet them."

Parts for classic Komatsu machines

More than 60 inbound trucks pull up to one of the facility's 32 dock doors each day with parts for excavators, mining trucks, wheel loaders and every other type of equipment Komatsu manufactures. Much of the inventory is placed in bins where it's ready to be pulled to fulfill an order. Some parts go to one of Komatsu's eight regional parts depots in North

America, Komatsu distributors or directly to customers.

Varner noted that the CPO warehouse contains parts for new and old machinery alike. "Customers appreciate the longevity of their Komatsu equipment; that's why we carry parts for equipment going back two decades or more. So, the customer running equipment that was manufactured several years ago can be confident we'll have what he needs." Varner also oversees a core processing center that's located near the Ripley CPO. "At our core processing center, we take back old cores — engine and transmission blocks and other major components — remanufacture them and stock them here, along with new OEM parts."



Gordon King works to fill a parts order at Komatsu's Central Parts Operation. As Komatsu's main hub for parts distribution, the warehouse employs more than 150 and is open around the clock.



The Central Parts Operation carries thousands of items for Komatsu machines, from routine maintenance items to engines. It also carries remanufactured engine and transmission blocks and other large components.

Komatsu's Central Parts Operation is expanding with a 100,000-square-foot addition that's designed to improve efficiency. The CPO handles parts for Komatsu's construction, mining and utility equipment around the world, including both new and remanufactured components.

Always working to improve

In addition to construction and mining, the CPO recently took on distribution of parts for other Komatsu products such as forklifts and industrial presses. Those additions, as well as a growing number of Komatsu machines in the field, dictated some expansion at CPO. Currently under construction is a new 100,000-square-foot addition.

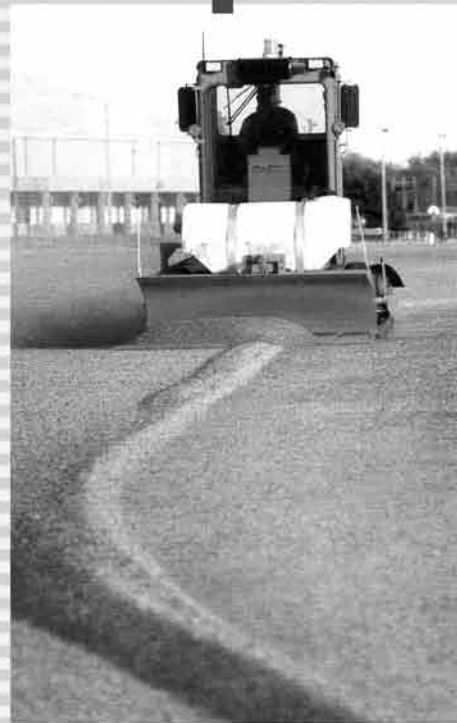
"For years, many of our inbound parts have first gone through a third-party logistics company about 50 miles away before coming to us," explained Varner. "The new addition will house that company, which will save significant time. It will increase efficiency and improve customer service."

Those are areas the CPO staff is always striving to improve, according to George Terrell, Parts Distribution Manager. Terrell has been with Komatsu 40 years and helped set up the Ripley facility when it opened. He said technology and other initiatives have made filling customer orders faster over the years.

"It's a never-ending task to find the most efficient and productive ways to get parts to our distributors and customers," said Terrell. "We're much more efficient and productive than when we started here, but we're never satisfied. When Komatsu first moved here, order accuracy, along with other start-up issues, was a challenge. The error rate is now below 1 percent. That sounds great, but we want zero." ■



It's a clean sweep...



Broce Broom
THE LEADER



With a wide range of options, Broce Brooms are versatile enough to handle nearly any sweeping challenge. From optional curb sweepers and water spray systems to scraper blades and a choice of engines, you can customize your Broce Broom to meet individual jobsite needs.

All self-propelled Broce Brooms have a standard hydrostatic drive and a compact wheel base for better maneuverability in tight places. Our sound-suppressed cab provides maximum operator comfort and visibility for optimal productivity and safety.

To find out how Broce Brooms can help you make a clean sweep every time, contact your Broce dealer for a demonstration.

KNOXVILLE, TN
(865) 577-5563

NASHVILLE, TN
(615) 213-0900

CHATTANOOGA, TN
(423) 894-1870

MEMPHIS, TN
(901) 346-9800

KINGSPORT, TN
(423) 349-6111

TUPELO, MS
(662) 869-0283

POWER
EQUIPMENT THE POWER TO PERFORM

TRICK OR TREAT AT THE TRACK

The Komatsu-sponsored No. 09 car debuts at Talladega, flirts with high finish

A Komatsu-sponsored car ran its first NASCAR Sprint Cup Series race at Talladega on Halloween. That followed the running of a Komatsu-sponsored car in the NASCAR Nationwide Series at Daytona in July, and



(Above) Komatsu sponsored the No. 09 car in the Nascar Sprint Cup series race at Talladega and the No. 1 car at a Nationwide series race in Daytona. (Below) Komatsu also sponsored a car driven by Tony Pedregon in six races in the NHRA Funny Car class.



sponsorship of a car in a series of six races on the National Hot Rod Association (NHRA) circuit.

“Many of our customers are racing fans, so sponsorship of race cars seemed like a natural fit for us,” said Erik Wilde, Vice President of Product Marketing at Komatsu America Corp. “We’ve enjoyed our first associations with racing owners, teams and drivers and will consider more sponsorships in 2011.”

At the Amp Energy Juice 500 at Talladega, Komatsu was primary sponsor of the No. 09 Phoenix Racing Chevrolet. The car was driven by longtime NASCAR driver Bobby Labonte.

As for the race itself, it was more trick than treat. Labonte had worked his way up as high as 11th place late in the race, but with just 16 laps remaining, the car sustained engine damage and was done for the day. The No. 09 car was credited with a 38th-place finish.

“Today was a long race,” is how Labonte summed up Talladega. “We had a great run going and were hoping to have a solid finish.”

Success in NHRA

The Komatsu-sponsored NHRA car is driven by two-time Funny Car World Champion Tony Pedregon of Pedregon Racing. Komatsu was also an associate sponsor on Tony’s brother Cruz Pedregon’s car, which took first place in the funny car class at Charlotte, N.C. in September and at Reading, Pa., in October.

“Komatsu America is excited to be associated with Tony Pedregon’s car,” said Wilde. “Tony’s reputation as a world champion aligns well with Komatsu’s worldwide reputation for producing outstanding equipment.” ■

**EASY TO MAINTAIN.
EASY TO SERVICE.
EASY TO AFFORD.
Hard to live
without.**



TRAMAC®

SC Series hydraulic breakers



**How would you design
the perfect breaker?**

Lightweight, yet powerful. Quiet, but fast.
Affordable while designed to last. That's
how we designed our SC Series – the fastest,
most versatile hydraulic breakers available.
Finally, your toughest challenges have
met their match.



Silver Clip

**Unique "silver clip", plus no tie
rods makes maintenance and
overhaul easy**



Constant Production

**Fully hydraulic operation delivers
constant production with no
nitrogen refills**



Blank Fire Protection

**Blank fire protection extends
life of breaker**

POWER THE POWER TO
EQUIPMENT PERFORM

MEMPHIS, TN
(901) 346-9800

KINGSPORT, TN
(423) 349-6111

TUPELO, MS
(662) 869-0283

KNOXVILLE, TN
(865) 577-5563

CHATTANOOGA, TN
(423) 894-1870

NASHVILLE, TN
(615) 213-0900

Learn more at TramacSCBreakers.com



For Any Heavy Duty Job!



Hydraulic Excavator Thumbs

Excavator Rakes



Excavator Shears



Excavator Thumbs



Fork Carriages



Excavator Grapples



Bucket Forks



Dozer Rakes



Loader Rakes

Skid Steer Attachments



Rock Grapples



Augers



Grapple Rakes



Pallet Forks



Rakes



Stump Grapples



Brush Cutters



Hay Spears



Buckets

All attachments available for on time delivery

POWER

THE POWER TO EQUIPMENT PERFORM

MEMPHIS, TN
(901) 346-9800

KINGSPORT, TN
(423) 349-6111

TUPELO, TN
(662) 869-0283

TAX ADVANTAGES RETURN

Jobs Act reinstates depreciation bonus and additional Sec. 179 expensing

The depreciation bonus and Sec. 179 expensing were reinstated when President Obama signed the Small Business Jobs Act in September. As before, the depreciation bonus is at 50 percent on new equipment purchases made in 2010 and is retroactive to the beginning of the year.

New equipment must be purchased and put into service this year in order to be eligible for the depreciation bonus. The depreciation bonus offers tax advantages to businesses purchasing tangible personal property, including construction, mining, forestry and agricultural equipment with a Modified Accelerated Cost Recovery System (MACRS) recovery period of 20 years or less.

Previously available as part of economic stimulus measures in 2008, the depreciation

bonus was further extended under the Economic Stimulus Package before being eliminated at the end of last year. It proved positive when in effect, according to a study by industry groups.

Sec. 179 expensing was popular as well, and its reinstatement runs through 2011. The Small Business Jobs Act doubled the previous expensing level to \$500,000 and the phase-out threshold to \$2 million. New and used equipment is eligible for the additional expensing.

The depreciation bonus and Sec. 179 expensing can be combined. For further information on how these advantages may help you, contact your sales representative or one of our branch locations. ■

New equipment purchased and put into service this year is eligible for the 50-percent depreciation bonus reinstated under the Small Business Jobs Act signed into law in September. The law also reinstates additional Sec. 179 expensing, with increased levels to \$500,000 and a \$2 million phase-out on new and used equipment. The depreciation bonus and Sec. 179 expensing can be combined.



FOCUSED ON QUALITY

General Manager Don Russell says Komatsu's NMO is dedicated to customer satisfaction



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.

**Don Russell, General Manager
Newberry Manufacturing Operation**

While he's only been working at the Newberry Manufacturing Operation (NMO) for about the last 12 months, General Manager Don Russell has been with Komatsu more than 24 years. Don started with the company as a welder in its Chattanooga plant, and while he was doing that, he took classes to earn a mechanical engineering degree and later earned a degree in business management from the University of Phoenix.

Don quickly moved into manufacturing engineering at Chattanooga, programming robots as part of his duties, and eventually became Operations Manager. About a year ago, he and his wife, Brenda, moved to Newberry where Don oversees operations of the wheel loader and forklift assembly plant.

"I'm responsible for all aspects of the operation," said Don. "That includes planning, financial, human resources and other duties. I enjoy it because I'm working with an excellent staff of people who are dedicated to building quality products for Komatsu customers."

Don noted that the staff has increased in size within the past few months. "We're seeing some uptick in orders, which is good. We believe as the economy improves, we'll see even more."

When not at work, Don enjoys woodworking, gardening and trout fishing with the family at their cabin in the mountains of North Carolina.

QUESTION: How has the Newberry Manufacturing Operation (NMO) changed?

ANSWER: This facility opened in 2002 as Komatsu's utility plant with the production of backhoe loaders, and it continued as our utility location until last year. About a year ago, we began producing wheel loaders ranging in size from the 170-horsepower WA320-6 to the 350-horsepower WA500-6. We shipped our first loader from here in December 2009 and have steadily increased production.

Primarily, it's an assembly plant, although we do manufacture a wheel loader frame, and we have product support engineering. NMO has the capacity to produce about 900 wheel loaders a year. We're also producing 13 models of Komatsu fork lifts in LP gas, regular gasoline and diesel configurations for both indoor and outdoor use.

QUESTION: What hasn't changed?

ANSWER: As with all our manufacturing operations, the focus on quality remains our utmost priority. We produce some stock machines, but the vast majority of our loaders are custom-built for customers who have unique specifications for their machines that are used in a wide range of applications — agriculture, construction, forestry and mining. Those specs could include a high-lift boom, a certain size bucket or a number of other things. They rely on Komatsu machines for their livelihood, and each of the approximately 160 employees who work here understands that.

Every machine that's shipped out of here goes through a thorough inspection to check all systems, functions and a long list of other items. NMO is certified as both ISO 9001, which means it meets strict standards of operation, and ISO 14000. The latter



Larger parts are moved around the NMO using Komatsu fork lifts, which are also produced the plant.



Komatsu's Newberry Manufacturing Operation produces six wheel-loader models, ranging from the 170-horsepower WA320-6 to the 350-horsepower WA500-6, as well as fork lifts.

shows that we're a facility focused on using environmentally sound practices.

QUESTION: Why are those certifications important?

ANSWER: Equipment users have high standards and they want to do business with a manufacturer that also sets and meets high standards. The ISO certifications reinforce the commitment to outstanding manufacturing practices that Komatsu has. If customers want to see that in action, we encourage them to visit the plant and take a tour. We're always excited about the opportunity to show customers how their machines are built.

QUESTION: Do customers give you input on machine features when they visit?

ANSWER: Certainly, and we pass that along to our product marketing personnel who work more closely with customers and distributors to get feedback on development of new machines. Our primary focus is on the manufacturing process and what we can do to improve delivery of a product. One area where we work closely with customers is in quality and warranty claims. If there's an issue, we work to resolve it quickly.

QUESTION: We've discussed the past and present. What's the future hold for NMO?

ANSWER: Interim Tier 4 regulations begin next year on machines in the 175- to 750-horsepower range, so we'll start manufacturing the machines in that category. As far as that affecting our operations, it won't have much of an impact. We'll still continue to produce loaders using the same quality standards we always have.

The plant is 250,000 square feet of building sitting on 80 acres of land, and was built with future expansion in mind. I'm sure at some point that will be a consideration. ■



Subassemblies are part of the NMO's operations, including putting together engines before they're installed on the machines.



The Newberry Manufacturing Operation, which produces wheel loaders and fork lifts, is ISO 9001 and ISO 14000 certified. "The ISO certifications reinforce the commitment to outstanding manufacturing practices that Komatsu has," said General Manager Don Russell.

MORE INDUSTRY NEWS

Study: Mass transit needs mass investment to upgrade it to good condition

A study released by the Federal Transit Authority (FTA) shows an estimated cost of \$77.7 billion to bring the nation's mass transit systems into a state of good repair. The systems include bus and rail, with rail accounting for the largest portion of the billions needed. More than 40 percent of the nation's buses are in poor or marginal condition.

According to the study, an annual average investment of \$14.4 billion would be required

to maintain the status quo. The study is based on data provided by 36 rail and bus operators in rural and urban areas.

"Transit remains one of the safest forms of transportation, but this report shows the clear need to reinvest in our bus, subway and light-rail systems," U.S. Transportation Secretary Ray LaHood said. "As a nation, we must lead when it comes to infrastructure development and commit ourselves to rebuilding America." ■

Receive up to \$500 in Rebates!

BACK 2 WORK WITH PALADIN.

**8 Brands You Can Trust...
Hundreds Of Tough Attachments**

Get **Back 2 Work** with performance-driven attachments that show up ready to dig, move, scrape, compact, clean, rake and drill every day on your highway- and bridge-related jobs.

Contact us to work with the brands that have always delivered great results.

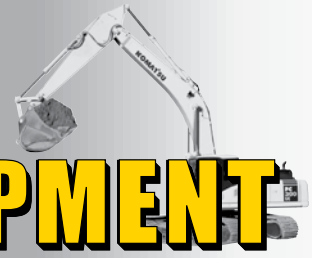
www.back2work.com

Available through Power Equipment

PALADIN.
CONSTRUCTION GROUP

- BRADCO
- CP
- CUSTOMWORKS
- FPC
- HARLEY
- J:B
- McMILLEN
- SWEEPSTER

The Power of Combined Excellence



USED EQUIPMENT

| Manufacturer/Model | Serial # | Equip. # | Year | Hours | Price |
|----------------------|----------|-----------|------|-------|-----------|
| EXCAVATORS | | | | | |
| KOMATSU PC138USLC | 1132 | PP25460 | 2003 | 3,825 | \$61,900 |
| VOLVO EC35 | 28317678 | PT25503 | 2004 | 0 | \$14,900 |
| PAVER | | | | | |
| LEEBOY 8510 | 47790 | PT25493 | 2007 | 0 | \$39,000 |
| MAULDIN 1750C | 01799 | PT25494 | 2007 | 0 | \$32,900 |
| WHEEL LOADERS | | | | | |
| KOMATSU WA180-3MC | A81022 | PP17845-1 | 2000 | 5,945 | \$49,900 |
| KOMATSU WA250-5L | A74083 | PP25450 | 2006 | 1,335 | \$99,900 |
| KOMATSU WA250-5 | 72058 | PP25449 | 2006 | 1,405 | \$103,000 |
| FORESTRY | | | | | |
| VERMEER TG400 | R100107 | PT25441 | | 0 | \$25,000 |



KOMATSU WA180-3MC, A81022 PP17845-1, 2000, 5,945 hours\$49,900



KOMATSU WA250-5, 72058, PP25449, 2006, 1,405 hours.....\$103,000

C.P.I.
P.O. Box 1689
C.R., IA 52406-1689

Presorted
Standard
US Postage Paid
C.P.I.

Change Service Requested

The Products. The People. The Service.



The Power To Perform.

POWER
EQUIPMENT

KOMATSU®

Knoxville
3300 Alcoa Highway
Knoxville, TN 37920
(865) 577-5563
(800) 873-0961

Chattanooga
Highway 58 at 153
Chattanooga, TN 37406
(423) 894-1870
(800) 873-0963

Nashville
1290 Bridgestone Parkway
LaVergne, TN 37086
(615) 213-0900
(800) 873-0962

Memphis
3050 Ferrell Park Cove
Memphis, TN 38116
(901) 346-9800
(800) 873-0965

Kingsport
1487 Rock Springs Road
Kingsport, TN 37664
(423) 349-6111
(800) 873-0964

Tupelo
1545 Highway 45
Saltillo, MS 38866
(662) 869-0283
(800) 873-0967