TRACTOR & EQUIPMENT COMPANY

TRACTOR TIMES

A publication for and about our customers in AL, FL & GA • 2005 No. 4

Featured in this issue:

FLEISCHMAN'S INC.

This Florida site contractor celebrates 25 years of delivering quality work ahead of schedule

See article inside...

Mike Fleischman, Owner

A MESSAGE FROM THE PRESIDENT

Dan Stracener

A glance back and a look at what's ahead

Dear Equipment User:

As 2005 begins to draw to a close, you're probably already looking ahead to next year. You're not alone. All of us at Tractor & Equipment Company are also looking forward to 2006 with great anticipation. But before we look too far ahead, let's take a quick look back.

Of course, final figures are not yet available, but it appears that construction "put in place" for the year will come in at about $1.1 trillion, up roughly 9 percent from 2004. Private residential construction continues to lead the way. Analysts say part of the increase is a result of higher prices for materials such as cement, steel, copper and petroleum-based products — but despite that, gains were solid across-the-board.

Forecasters think things may slow a bit next year, but overall, construction will remain strong. The big question is how much long-term impact the devastation brought by Hurricane Katrina will have on the industry. New Orleans and the Gulf Coast are not only important energy-producing areas; their ports also handle many raw materials imported for use in construction. Unfortunately, that means prices will likely continue to rise, some perhaps by substantial amounts.

All of these issues are out of your control and out of ours as well. At TEC, our goal, as always, will be to provide you, our customer, with top products at a fair price, and to provide responsive, professional support that keeps you up and running.

Something we are very excited about is the many new Komatsu models with ecot3 engines that will debut in 2006. The units promise to be not only cleaner-burning, but also more productive and more fuel-efficient, which will almost certainly be increasingly important to you in the months and years ahead.

Please don't hesitate to give us a call for information about these new units or if there's anything else we might be able to help you with.

Sincerely,

Dan Stracener
President

TRACTOR & EQUIPMENT COMPANY

TRACTOR TIMES

IN THIS ISSUE

FLEISCHMAN'S INC.
This Florida site contractor celebrates 25 years of delivering quality work ahead of schedule.

AIKEN GRADING COMPANY
By partnering with clients, this Atlanta-area firm has grown rapidly in recent years.

DOLLARS & SENSE
Want to maximize your bottom line? Here are guidelines for a 10-step process that can help your construction company be more profitable.

PRODUCT IMPROVEMENT
Read all about Komatsu's new turbocharged compact excavators, the PC35 and PC50, and what makes them "unique and unrivaled" products.

NEW PRODUCT
Find out how Komatsu's new WA320PT-5 electronically controlled, hydrostatic, parallel-lift wheel loader can boost production on your next job.

PRODUCT INNOVATION
Do you have very specialized equipment needs for material handling, logging, waste transfer or other industries? If so, you'll want to read about Komatsu's Working Gear Group, which can customize Komatsu excavators for almost any application.

Published by Construction Publications, Inc. for

TRACTOR & EQUIPMENT COMPANY

www.tractor-equipment.com

TEC LOCATIONS:

BIRMINGHAM, AL
(205) 591-2131

MONTGOMERY, AL
(334) 288-6580
(800) 832-9563

FOREST PARK, GA (ATLANTA)
(404) 366-0693
(800) 488-0693

HOSCHTON, GA
(706) 654-9850
(888) 334-9850

TUSCALOOSA, AL
(205) 752-0621
(800) 582-4625

DECATUR, AL
(256) 355-0305
(800) 321-6865

CALHOUN, GA
(706) 879-6200
(800) 827-3072

KENNESAW, GA
(678) 331-3640

ANNISTON, AL
(256) 831-2440

MOBILE, AL
(251) 457-8991
(800) 233-7213

MACON, GA
(478) 745-6891
(800) 786-3120

AUGUSTA, GA
(706) 798-7777
(800) 659-3090

DOTHAN, AL
(334) 678-1832

GROVE HILL, AL
(251) 275-4158

COLUMBUS, GA
(706) 562-1801

SAVANNAH, GA
(912) 233-7702
(800) 827-1405

SHOALS AREA, AL
(256) 383-5666

PANAMA CITY, FL
(850) 763-4654
(800) 342-2055

PENSACOLA, FL
(850) 505-0550

ALBANY, GA
(229) 435-0982
(800) 733-0982

THE PRODUCTS PLUS THE PEOPLE TO SERVE YOU!

TRACTOR & EQUIPMENT CO.

Jim Waitzman, Jr., CEO
Dan Stracener, President
Lloyd Adams, Executive V.P./CFO
Lenn Morris, Executive V.P./Sales Manager - North AL
Mark Powers, V.P./Sales Manager - South AL & FL
Hugh D. Stith, V.P./Sales Manager - North GA
Mike Copeland, V.P./Sales Manager - South GA
Gerald Carroll, V.P./Service Manager
Steve Day, V.P./Parts Manager
Steve McCondichie, V.P./Product Support - GA
Tim Tipton, V.P./Product Support Marketing
Chris Lucas, V.P./Data Processing Manager
Skip Walker, New Equipment Rental Manager
Rick Mathis, Used Equipment Manager - AL & FL
Dick Tabb, Used Equipment Manager - GA

ALABAMA

BIRMINGHAM, AL
Brett Bussman, V.P./Branch Manager
Charlie Shoop, Parts Manager
Jeff Hodge, Service Manager

TUSCALOOSA, AL
Jody Thomason, Branch Manager
Larry Watkins, Service Manager
Mark Shoults, Parts Manager

ANNISTON, AL
Todd Bigbee, Branch Manager
Marlin Harrell, Service Manager
Buck Brown, Parts Manager

DOTHAN, AL
Rodney Maltbie, Parts Manager
Tony House, Service Manager

SHOALS AREA, AL
Randall Brown, Parts Manager

MONTGOMERY, AL
Chuck Tullos, V.P./Branch Manager
Rob Boroughs, Service Manager
Larry Long, Parts Manager

DECATUR, AL
Don Burgreen, V.P./Branch Manager
Tim Kohlenberg, Service Manager
Wayne Brown, Parts Manager

MOBILE, AL
Doug Stone, Branch Manager
Danny Wright, Service Manager
Larry Cook, Parts Manager

GROVE HILL, AL
Keith Hood, Parts Manager

RENEW CENTER, AL
Dave Hawker, Branch Manager
Dean Weems, Parts Manager

FLORIDA

PANAMA CITY, FL
Chuck Tibbets, Branch Manager
Sammy Allen, Service Manager
Kelly Myers, Parts Manager

PENSACOLA, FL
Dave Niesen, Branch Manager
Billy Dees, Service Manager
Chad Glass, Parts Manager

GEORGIA

FOREST PARK (ATLANTA), GA
Mike Kemmerer, Service Manager
Clint Blackmon, Field Service Manager
Epps Hewett, Parts Manager

CALHOUN, GA
Bo Renfroe, Service Manager
Andy Worley, Parts Manager

MACON, GA
Frank Hall, Service Manager
Ron Ross, Parts Manager

COLUMBUS, GA
Kelly Freeman, Service Manager
Jamie Horsley, Parts Manager

HOSCHTON, GA
Greg Carroll, Service Manager
Phillip Timms, Parts Manager

KENNESAW, GA
Bryan Evans, Service Manager
Curt Cook, Parts Manager

AUGUSTA, GA
Ron Wallace, Service Manager
Mark Anderson, Parts Manager

SAVANNAH, GA
Autrey McMillan, Branch Manager
Tim Stone, Service Manager
Rick Sidwell, Parts Manager

ALBANY, GA
Ron Acker, Service Manager
Charles Smith, Parts Manager

KOMATSU

Printed in U.S.A

© 2006 Construction Publications, Inc.

A SALUTE TO A CUSTOMER

FLEISCHMAN'S, INC.

This Florida site contractor celebrates 25 years of delivering quality work ahead of schedule

When Mike Fleischman decided it was time to start his own business, he bought a small excavation company and began clearing lots and doing foundation work around Fort Walton Beach, Fla. The idea was to grow gradually and build a reputation for quality work done in a timely manner. The fruits of his labors have paid off as Fleischman's, Inc. celebrates its 25th anniversary with a staff of eight to 10 employees and a list of repeat customers who use the company extensively.

"The customers we work for don't generally bid jobs out," said Fleischman, President of Fleischman's Inc. "They know what kind of work we do, they call for a price, ask me when I can start and that's it. Our customers know they can trust us to meet their schedules, even if the schedule is tight. They also know we'll bend over backward to make sure we get to their projects. We consider ourselves a local company, but when our customers want us to go outside our area to do work, we will."

In general, Fleischman's, Inc. serves about a 50-mile radius of Fort Walton Beach, providing customers with site work that includes clearing, foundation work, underground utilities and paving. The vast majority of the company's work is for builders and developers who trust Fleischman's to provide them with a wide range of services.

"Our aim is to provide entire site packages," said Fleischman. "We do most everything ourselves with the exception of the paving, which we sub out. Our customers like that because it means fewer people to deal with and we can provide them with a finished product in less time."

Superintendent Marlin Hall (left) and owner Mike Fleischman pause at a Fleischman's, Inc. jobsite.

Small size, big results

Fleischman started small with a few pieces of equipment and a couple of hired hands. While growth has been a part of the business, he said getting bigger has never been a goal. "I really like the size of the company because I can keep a good handle on things," he noted. "I like to be hands-on, and with the company this size, I can do that. I'd much rather be on site with a shovel in my hands than sitting in an office or in my truck just looking on. Customers appreciate that because they can always find me. I'm right there on their job.

"The other nice thing about our size is that everyone works together because they all know each other well," he continued. "It's like one big family, and that's really important to me. We average eight to 10 employees and, to me, that's just right."

Using a Komatsu PC160LC-7 excavator, Fleischman's, Inc. operator Terry Alford digs a trench to lay pipe for a project in Fort Walton Beach, Fla.

That relatively small staff has produced outstanding results, according to Fleischman. Last year the company did more than $3 million in sales, which Fleischman described as phenomenal for a company of its size. He attributes a large part of the success to key people, such as Superintendent Marlin Hall, longtime employee James Powers, and Patrick "Cowboy" Coley, a dump truck driver who has been with the company for 25 years. Fleischman also credits the support of Debbie, his wife of 30 years, and their daughter Carrie Fleischman, who serves as the company's vice president.

"I can't say enough about Marlin Hall," Fleischman stated. "There's nothing that he can't do. He is so diversified and we're very lucky to have his skills. He's a good communicator and he knows how to get things done.

"It's a great testament to the employees to be able to do that much volume with the numbers we have," said Fleischman. "One of the reasons is that they work hard to get things done ahead of schedule. We recently finished a large project more than a month before it was supposed to be done. That's the kind of company we strive to be and it's what drives our success."

Fleischman's, Inc. Superintendent Marlin Hall uses a Komatsu WA200-5 wheel loader on a project near Crestview, Fla. "We've been very pleased over the years with Komatsu," said company owner Mike Fleischman.

Fleischman pointed to a 134-lot subdivision as another example of his crew turning out a finished product before it was due. The project was one of the biggest Fleischman's has ever undertaken and involved a massive amount of clearing, cut and fill, and underground utility work.

Continued . . .

Dependable equipment stands up to job challenges

. . . continued

"At the time I took it, I thought I had bitten off more than I could chew," Fleischman recalled. "But I don't shy away from a challenge. The engineer's estimate was anywhere from 260 to 360 days to complete. We turned it over in 168 days, and I'm very proud of that one.

"We also did work for a new Chic-Fil-A building that had a very tight time frame," he added. "As we were doing the job, a tropical depression came in and sat on top of us for five days. But we didn't let it stop us. We worked through the rain, worked some extra hours and got it done on time, even though we could have waited until after the deadline because of the rain."

Solid equipment gets the job done

Another component in the company's success is dependable equipment that stands up to the rigorous pace Fleischman's, Inc. keeps. Fleischman turns to Tractor & Equipment Company's Panama City branch and Sales Representative Cary Thomas for Komatsu machinery. Fleischman has a dozen Komatsu machines, including several newer excavators (a PC35MR-2 and a PC160LC-7) newer wheel loaders (a WA200-5 and a WA180-5) and a new D31PX-21 dozer.

"Komatsu has great equipment," Fleischman said. "We've been very pleased over the years with our wheel loaders and dozers. They've really stood up to the challenge."

Fleischman is also pleased with the service he's received from Tractor & Equipment Company. "TEC has given me tremendous service over the years," he said. "I really appreciate the job Cary does for us, and I especially appreciate (Parts Manager) Kelly Myers at Panama City for taking good care of us when we need something. TEC has always been excellent for service."

Great service goes on

Fleischman's, Inc. has built a firm reputation on excellent service as well. It's something Mike Fleischman will never lose sight of. "Our customers are the reason we're in business, so if we don't take care of them it will all go away," he said. "I won't let that happen. My aim is to make sure we continue to do quality work ahead of schedule. If we do that, there will be plenty of work down the road." ■

Fleischman's, Inc. relies on a dozen pieces of Komatsu equipment. Here, Fleischman's operator Rodney Drake uses a D31PX-21 dozer to prepare a building pad for a strip mall in Fort Walton Beach, Fla.

Quality you can rely on

Designed to finish first, Komatsu's new line of reliable wheel loaders strike the perfect balance between productivity, efficiency and economy. Hydrostatic transmissions reduce cycle times by matching ground speed to available work space, making it a breeze to dive in and out of piles. Large cabs with light touch controls keep operators in their seats. And you on the fast track.

For details, contact your local Komatsu distributor. Call **1-800-Komatsu.**
Or visit KomatsuAmerica.com

KOMATSU®

● Komatsu America Corp., Headquartered in Chicago, IL ● North American manufacturing operations in Chattanooga, Candiac, Dallas, Newberry, Peoria and Seymour ● Over 210 distributor locations serving North America

©2005 Komatsu America Corp. www.KomatsuAmerica.com

411-1471

A SALUTE TO A CUSTOMER

AIKEN GRADING COMPANY

By partnering with clients, this Atlanta-area firm has grown rapidly in recent years

Bill Carruth, Owner

Brad Carroll, Vice President/COO

When Bill and Laura Carruth bought Aiken Grading from Laura's father Thomas Aiken in 1999, the company was already one of the leading earthmoving contractors in the Atlanta area. It employed about 120 people and did large road and industrial jobs throughout the metro area. But in the five or six years since taking over, the Carruths have doubled the work force to about 250 people, and upped the annual volume by a like amount.

"One of the reasons we've grown so fast is that the large private jobs we do are considerably larger today than they were five to 10 years ago," said Aiken Vice President and Chief Operating Officer Brad Carroll. "For example, Atlanta has become a distribution warehouse hub. In the late '90s, the average warehouse may have been in the range of 300,000 to 400,000 square feet, while today it's more like 800,000 to 1 million-plus square feet.

Based in Dallas, Ga., Aiken Grading specializes in commercial and industrial site work and mass grading for residential subdivisions. At this warehouse project, an Aiken operator uses a new Komatsu D155AX-5 dozer to push a scraper.

"Bulk distribution is a specialty of ours," he added. "We're doing half a dozen right now, moving more than a million yards of material at each of them. There are only a small handful of companies in the area that can efficiently do jobs of that size, and we're one of them."

Another factor in the company's growth is that it now does its own pipe work (sewer, water and storm drain) in addition to the mass grading.

"Adding a utility division (the company now has seven utility crews) helps us better meet the schedules our customers require," said Carroll. "When we were subcontracting the pipe work, we weren't getting the productivity and speed that we expected. Now, by doing it ourselves, we're consistently able to meet and beat our customers' schedules."

The new utility division and today's larger jobs are reasons Aiken Grading has grown — but they don't fully explain why many customers prefer doing business with Aiken. The answer to that lies in the company's people and a "value-added" philosophy that emphasizes partnering with clients.

People make a difference

Based in Dallas, Ga., about 20 miles northeast of the city, Aiken Grading specializes in commercial and industrial site work, as well as mass-graded residential subdivisions and DOT jobs that include a substantial amount of earthmoving. The company works almost exclusively within a 100-mile radius of downtown Atlanta.

"We believe what we bring to the table for our customers is a professionalism that few, if any, contractors around here can match,"

said Carruth. "For example, Brad Carroll, who joined us in 2000, is a civil engineer. We have six estimators/project managers and they're also all civil engineers."

In addition to Carroll, Aiken Grading has two other vice presidents. They are General Superintendents Brian Shipp and Mike Flanagan, who oversee field operations. Gary Rainer and Jeff Owensby also serve as general superintendents.

"Throughout the organization, we believe the 'average' person in this company is a step above the industry equivalent," said Carroll. "Whether a laborer, operator, foreman or superintendent, we think our people are the best. We've been able to attract quality employees and keep them because we provide a consistent work load, management and supervisory stability, good equipment, and a positive work environment fostered by Bill and Laura."

Professionalism leads to partnering

Largely because of the professionalism of the people who work there, Aiken Grading has formed partnerships with many of its clients.

"I don't think anybody partners with a client better than we do," said Carruth. "Where most contractors get a finalized set of plans to work or bid from, we work with our clients from the beginning. We provide extensive preconstruction services to actually help them develop the plans and, in some cases, determine project feasability. It's common for us to be working on a project for up to a year before actually breaking ground on it."

Well-known, longtime clients appreciate the "value-added" work that Aiken Grading provides. "We basically work for a 'Who's Who' list of industrial developers, and essentially our client base consists entirely of repeat customers," Carroll stated. "I estimate that 90 percent of our work is negotiated and we're very proud of the fact that, to my knowledge, we've never lost a client. "

"We have excellent relationships with all our customers, primarily because we deliver for them with no surprises," said Carruth.

Aiken Grading commonly moves 800,000 to 1 million yards of dirt on large warehouse projects such as this one on Camp Creek Parkway in Atlanta. Primary equipment for such projects includes this new Komatsu PC600LC-7 and 40-ton HM400 articulated dump truck. "The PC600 is a proven unit that we're confident will be reliable, productive and long-lasting," said Aiken VP/COO Brad Carroll.

An Aiken Grading operator uses one of the company's many Komatsu machines, a D41E, to do final grading on this Atlanta-area project.

"Like all good contractors, we do quality work and we do it fast. But what really sets us apart is the preconstruction work we do, which minimizes unexpected issues that require expensive change orders."

Big jobs

Aiken Grading has completed many large earthmoving jobs in the Atlanta area throughout the years. The company recently completed a multi-year widening of Highway 27 from Buchanan to Cedartown that involved moving more than 4 million yards of material. Currently crews are at work on a 4 million yard industrial park in Braselton.

"We typically have 30 to 35 projects going on at any one time, and the vast majority of those involve moving at least 500,000 yards of material," said Carroll. "We currently have a backlog of more than 7 million yards, which is a figure we like to maintain."

Continued . . .

Value-added services bring customers back

. . . continued

In addition to warehouses, subdivisions and roads, Aiken Grading does site work for schools, airports, hospitals and large retail/commercial outlets.

Productive equipment

To handle the type of large-scale jobs it's known for, Aiken Grading relies on a fleet of about 180 pieces of mobile heavy equipment, including numerous Komatsu units from Tractor & Equipment Company. Many of the Komatsus are new machines, including a PC600LC-7 hydraulic excavator, a PC400LC-7 hydraulic excavator, two new D155AX-5 dozers and two new 40-ton HM400 articulated dump trucks.

One of Aiken Grading's two new Komatsu HM400 articulated trucks carries a full load in its 40-ton dump body. The company puts about 2,000 hours a year on its articulated trucks, according to VP/COO Brad Carroll who says, "We've been very pleased with the performance of the Komatsu trucks."

An Aiken Grading operator puts the company's new Komatsu PC400LC-7 excavator to task at a large site project.

"We run a large scraper fleet and we use the new dozers, as well as about half a dozen older model Komatsu D155 dozers, to push our scrapers," explained Carroll. "They're excellent pushers and rippers. The PC600 is our largest Komatsu excavator and we use it to bulk load the articulated dumps. We've had numerous Komatsu excavators through the years and they've all been good, so we consider the PC600 a 'proven unit' that we're confident will be reliable, productive and long-lasting.

"The HM400s are brand-new machines for us," he continued. "We run articulated trucks about 2,000 hours a year, which is about 25 percent above the industry average. So we're interested to see how they'll hold up. Thus far, we've been very pleased with the performance and we're optimistic about the longevity we'll get with them."

In addition to quality equipment, Carruth and Carroll expect topnotch support from their equipment dealer. "Our salesman DeVaughn Pettit and TEC President Dan Stracener are both working hard to ensure we get the support we need," Carroll acknowledged. "When we call with an issue, they respond quickly, and we think the new store they've opened in Kennesaw will only improve the service we get from TEC."

Growth to continue

While Aiken Grading is still growing, both Carruth and Carroll say the company will likely grow more slowly in the years to come.

"We've doubled our size in the last five years," said Carroll. "If we did that again, we'd have 500 people by 2010. Will we do that? No. But, I'm confident that we'll have 300 people on our payroll before we go back to 200."

"The key is to be just big enough to adequately service our clients," added Carruth. "With us, it's always going to be about doing quality work in an efficient manner. That's always been our calling card and it's why we have loyal customers. In the future, we'll grow to whatever level is necessary to continue providing the level of service and satisfaction our clients have come to expect." ■

Quality you can rely on

Today's Komatsu midsize dozers are the pride of a long line of classic dozers. Each generation possessing the best qualities of the one before, while featuring the latest technology that only comes from real world applications. Our newest midsize dozers are the next breakthrough, offering improved comfort, easier operation, better maneuverability and, as always, enduring Komatsu reliability. It's everything you want to boost productivity and to spend quality time at work – and home.

To learn more, contact your local Komatsu distributor, visit us online at KomatsuAmerica.com or call 1-800-Komatsu.

KOMATSU®

• Komatsu America Corp., Headquartered in Chicago, IL • North American manufacturing operations in Chattanooga, Candiac, Dallas, Newberry, Peoria and Seymour • Over 210 distributor locations serving North America

©2004 Komatsu America Corp. www.KomatsuAmerica.com

411-1621

MAXIMIZING YOUR BOTTOM LINE

A 10-step process that can help your construction company be more profitable

"There's a four-letter word that best describes owning a construction company," says George Hedley, a business-building expert and professional speaker who also owns and manages a $75-million construction and development company. "The word is risk. In a business with all the variables of construction, you may never be able to totally eliminate risk, but there certainly are ways to minimize it."

In order to help contractors do just that, Hedley has developed a 10-step program aimed at maximizing profits, which he presented at a seminar during CONEXPO 2005.

Because of all the variables involved in construction, there's probably always going to be a certain amount of financial risk on each and every job you do. But careful planning and attention to detail can help you minimize the likelihood of a money-losing job.

1. How much profit?

The first step, he says, is to determine how much profit you think you should make.

"The industry average is 2 percent to 3 percent net profit before tax," he said. "Is that really enough for you to be successful? Probably not, because with all the risk and variables, the fact is, 65 percent of construction companies don't make any profit, which is why there's a high failure rate in the industry.

"One way to look at the situation is to ask, 'If I were investing in a construction company, what kind of a return on my investment would I want?' The answer is probably at least 15 percent, so that can be a starting point. Personally, my priority is to make a 30 percent minimum return on equity, and I shoot for a specific dollar amount of profit on each job and for the year as a whole."

2. Set clear targets & goals

"Once you've determined how much profit you need and want, set clear targets with specific deadlines to help achieve it. You must have a plan and you must always be making progress toward it. If you aim at nothing in particular, you'll hit it every time. It would be like playing golf without a green or a hole, or playing a football game without keeping score.

"It's important to be specific and to be able to measure your progress. I use the initials SWAT.COM to keep me on track. My goals are Specific, Written, Attainable, Time-dependent, Clear and Challenging, On-purpose and On-target, and Measurable."

One of the most important aspects of construction company profitability, especially for companies with large equipment fleets, is to know your cost of doing business. The true cost of any machine, of course, is much higher than the purchase price. It includes interest, insurance, maintenance and repairs, and fuel. Likewise, your employees cost you significantly more than their hourly wage rate. Accurately determining and tracking your true cost of doing business is a crucial aspect of ensuring profitability.

3. Use formula to always make a profit

"Whether you measure annual profit as a 'Return on Overhead' or a 'Return on Equity,' it's either a 12-step or 13-step formula, but they both will get you to the same place. It basically involves projecting expenses, inserting your return goals, factoring in projected profit and overhead — then determining the volume you need to reach those goals.

"From your company history, you probably have an 'average job size,' so you know about how many jobs you're going to have to do. You probably also know your bid-to-hit ratio, so you know about how many jobs you're going to have to bid, and you should keep track monthly to make sure you're staying on track to meet your goals."

4. Know, track, measure and control costs

"It's amazing to me, but 70 percent of contractors don't know their fixed cost of doing business. Without that information, it's a wonder any of them make money. For example, if you're just figuring the base pay of your employees, you're probably going to be underestimating the true cost by 30 percent to 50 percent. Similarly, the cost of your equipment and trucks must include not only the purchase price, but also the interest you're paying plus insurance, maintenance and gas. It's important to assign an hourly cost to both your personnel and your equipment in order to determine what your bid should be.

"Keep your overhead low and track everything. And when you assign an hourly rate to a crew member, make sure they're earning it relative to your best employees, your 'A' players. If they're not — if they're 'C' players — get rid of them and make room for somebody who is or might become an 'A' player for you."

Continued . . .

The information for this article came from a CONEXPO seminar presented by George Hedley. Mr. Hedley owns his own construction company, and as the founder and owner of Hardhat Presentations, is also a nationally known motivational speaker who specializes in providing profit-building information to construction-related groups. For more information, contact Mr. Hedley at 1-800-851-8553 or visit www.hardhatpresentations.com.

Ten steps to profitability

. . . continued

5. Charge the right markup

"The amount of markup you factor into a job for both overhead and profit should reflect the amount of risk you're taking to do the job. The higher the risk, the larger the markup. To calculate the right markup for your company, start by figuring the return you want on your equity and overhead. I recommend a 15 percent to 25 percent return on equity and a 25 percent to 50 percent return on your overhead costs. Add this profit amount to your overhead budget. This is the total overhead and profit you want to make. Using that amount as a goal, you then can calculate your markup rate based on your anticipated volume."

6. Install operational systems

"Operational systems are essentially formalized company standards and guidelines that keep everybody on your team on the same page. By installing systems, you're able to produce the same results every time, like a fast-food restaurant or a top hotel line. Customers always know what they're going to get from you; they like that consistency and because of it, they become repeat customers."

7. Open your books & share the wealth

"By opening your books to your employees, you're not only showing them respect, you're also showing them exactly what it takes to make a profit and why it's important that each person does his job. Incentive bonuses should be part of the 'open book' policy when the company has done particularly well on a job — or for a month or quarter or year."

8. Sell more to make more

"Know your customers. Visit with them face-to-face. Focus on your most profitable customers. Target them and others like them, then go about making them repeat customers. Point out things that differentiate you from your competitors and exploit your expertise."

9. Do what customers value

"Value is what something is worth. Money is a measure of value. To make lots of money, do what your customers value highly. Basically, all customers want first-class quality, top service and the lowest price. It's very hard to give them all three. Quality and service are what you should always strive to provide because those are the things you can control, whereas low price depends on what others decide to bid. Look for opportunities to do things that set you apart from the competition and add value in the customer's eyes. In that way, make the low price a matter of comparing apples to oranges."

10. Continuously innovate & improve

"I advocate cutting or controlling costs throughout every aspect of your business except marketing and new technology. That's because effective marketing will increase your business and new technology will help you cut your overhead costs. Yes, there's an initial outlay for the marketing and the technology, but the payback is typically many times greater than the cost.

"If you're not going forward in the construction industry, chances are you're going backward; and with the pace of change today, it doesn't take long to be left behind. It's always better to be early rather than late to the party when you're talking about technology. Anything you can do that puts you a step ahead of your competition, even if it's for a short period of time, could result in getting a new customer that might become a customer for life." ■

Business-building expert George Hedley strongly advocates adopting and embracing new technology as a way to streamline your operation and cut overhead. "Of course, there's an initial outlay, but the payback is typically many times greater than the cost."

Pettit and Aiken promoted to lead branches in northern Georgia

TEC is pleased to announce the promotion to branch manager of two of its outstanding Georgia sales representatives, Tim Aiken and DeVaughn Pettit.

Tim Aiken of Covington, Ga., is now Branch Manager of TEC's Hoschton, Ga., facility, where he will oversee all the sales activities in northeast Georgia. A veteran of the heavy equipment industry, Aiken has 26 years of experience. Before joining TEC in 2003, he served as a branch manager at another equipment distributor in Atlanta. He also had prior experience with two other equipment companies.

"Tim has earned his new role at Tractor & Equipment Company by demonstrating strong industry knowledge and superior capabilities, both during his career with us and his previous positions," said Dan Stracener, President of Tractor & Equipment Company.

As Branch Manager of TEC's Calhoun, Ga., facility, DeVaughn Pettit will oversee sales activities in northwest Georgia. Pettit came to Tractor & Equipment Company through its merger with Stith, which he joined in 1999 after graduating from Auburn University.

"I am excited about the opportunity to lead our great new facility in Calhoun," Pettit remarked." He is a native of Cartersville, Ga.

We invite all our customers and friends to stop by either branch to visit with these new managers and let them know how TEC can serve you better. ■

DeVaughn Pettit

Tim Aiken

Dealers honored at 48th annual Executive Policy Meeting

ESCO management and representatives from dealerships throughout the world gathered at the MGM Grand Hotel in Las Vegas on March 15 for the 2005 ESCO Dealer Executive Policy Meeting. The annual meeting, held in conjunction with CONEXPO 2005, was an opportunity to discuss new products and initiatives, and to hear the successes, suggestions and concerns of dealers.

Fifteen dealers were honored for their years of affiliation with ESCO, including D.A. MacPherson, Inc. (50 years) and Voto Manufacturers Sales Company, which has been an ESCO dealer for 55 years.

Charlie Shoop of Tractor & Equipment Company, Birmingham, Ala., was this year's recipient of the Gerry Leake Award, given to individuals who display outstanding enthusiasm, skill, and results in promoting ESCO® and Bucyrus Blades™ products. Jean Marc Valade of Carriere Industrial Supply was thanked for serving as 2004 ESCO Dealer Council chairman. ■

Charlie Shoop

Quality you can rely on

+

Best of both worlds.

=

BACKHOE LOADERS
Three Models
Dig Depth, 14'7" - 18'4"

What do you get when you combine the precision of an excavator with the brute force of a wheel loader? Komatsu's highly productive line of backhoe loaders. Easy to operate, these multi-function machines maximize versatility. Featuring our proven HydrauMind™ excavator technology, they give you the precise control you demand. While superb breakout forces and lift capacity — courtesy of the wheel loader side of the family — reduce cycle times. Plus, their parallel lift loader arms turn them into tool carriers right before your very eyes. For the best of all worlds.

For details, contact your local Komatsu distributor. Call **1-800-Komatsu**.
Or visit KomatsuAmerica.com

KOMATSU®

● Komatsu America Corp., Headquartered in Chicago, IL ● North American manufacturing operations in Chattanooga, Candiac, Dallas, Newberry, Peoria and Seymour ● Over 250 distributor locations serving North America

©2005 Komatsu America Corp. www.KomatsuAmerica.com

411-1681

TURBOCHARGED "COMPACTS"

Komatsu PC35 and PC50 excavators are now available with more horsepower

Komatsu considers its compact hydraulic excavators in the 8,000-pound (PC35MR-2) and 11,000-pound (PC50MR-2) classes to be "unique and unrivaled" products.

One of the prime areas of differentiation from competitive units is a ROPS and top guard that provide unmatched operator safety. The machines also offer more foot space and a large reclining seat so operators can work comfortably for a longer period of time. Additionally, easy access to components simplifies maintenance, while a high-strength, X-track frame deters mud and debris buildup.

Now, the standard machines are also available with a turbo engine as an option. The turbo option will boost horsepower in the PC35MR-2 from 29.1 hp to 34.1 hp and will increase output in the PC50MR-2 from 39.4 hp to 43.8 hp.

"The turbo option was developed specifically as a high-altitude machine, to compensate for the thin air, but we expect contractors all over will want the extra horsepower," said Mike Conley, Komatsu Product Marketing Manager for compact hydraulic excavators.

Rapid growth

The compact hydraulic excavator market has grown rapidly in recent years. In 2004 alone, the compact excavator market grew 40 percent to about 22,000 units.

"General contractors, landscapers, electricians, plumbers — they're all seeing the benefits of owning a compact excavator and skid steer loader instead of, or in addition to, the traditional backhoe loader," noted Conley. "The main advantage is they're getting two machines for about the price of one, which enables them to work multiple jobsites and to be more productive.

"The other advantage is the compact excavator's ability to work in confined spaces. Many jobsites today are cramped and crowded," Conley observed. "With its tight-tail-swing design, the Komatsu MR-2 series of compact hydraulic excavators can work productively in much smaller spaces than a backhoe can."

As opposed to some competitive models, Komatsu designs and manufactures its own compact excavators. "Komatsu has passed its expertise in full-size hydraulic excavators onto the compacts," Conley pointed out. "We invite anybody who hasn't tried one yet to do so. We think they'll be surprised at how productive the machines are." ■

For more information on Komatsu compact hydraulic excavators, contact your sales representative or our nearest branch location.

Brief Specs PC35MR-2 and PC50MR-2 (Turbo Version)

Model	Output	Operating Weight	Bucket
PC35MR-2 Turbo	34.1 hp	8,245 lbs.	14-25 inches
PC50MR-2 Turbo	43.8 hp	11,010 lbs.	12-25 inches

The turbo version of both the PC35 and PC50 boosts output from the standard machines by about 17 percent in the PC35 and about 13 percent in the PC50.

NEW PRODUCT

NEW PARALLEL TOOL CARRIER

Komatsu introduces its largest parallel-lift wheel loader

Komatsu's Dash-5 line of unique, electronically controlled, hydrostatic wheel loaders now includes a 166-horsepower parallel tool carrier. The new WA320PT-5 joins the WA200PT-5 and WA250PT-5 in the Komatsu tool carrier lineup.

"It's the next size up for customers who want and need a little more production than they can get from the smaller machines," said Komatsu Wheel Loader Product Marketing Manager Mike Gidaspow. "The WA320PT-5 is about 25 percent larger than the WA250PT-5 and is ideal for large construction and sewer jobs, as well as for use in government, waste and agricultural markets."

Brief Specs on the WA320PT-5

Output	Operating weight	Bucket capacity	Breakout force
166 hp	32,161-33,968 lbs.	3.5 cu. yd.	27,225 lbs.

The WA320PT-5, which features a hydrostatic transmission for maximum jobsite efficiency, is Komatsu's largest parallel lift loader.

The primary benefit of parallel lift that you get with a toolcarrier is that the forks stay level throughout the boom's arc, which lessens the likelihood of dumping or spilling a load and improves safety. The trade-off is a little less breakout force than a traditional wheel loader with Z-bar linkage.

The WA320PT-5's standard hydraulically actuated quick coupler makes changing attachments easy for maximum versatility.

Hydrostatic transmission

Komatsu is the only wheel loader manufacturer that uses a hydrostatic transmission (HST) in machines as large as the WA320PT-5. HST allocates only as much power as is needed in a given application for maximum efficiency. A one-pump, two-motor system also improves efficiency while providing high tractive effort. When decelerating, HST acts as a dynamic brake on the mechanical drive system and can even hold the loader in position on most workable slopes.

Hydraulic cycle times to raise, dump and lower a 3.5-cubic-yard, loaded bucket on the WA320PT-5 is 11.4 seconds. The unit has a top travel speed of 23.6 mph.

As with all Komatsu wheel loaders and parallel tool carriers, the WA320PT-5 comes standard with the manufacturer's Equipment Management Monitoring System for advanced maintenance, repair and diagnostics. In addition, the cab is 5 percent larger than previous models, providing more leg room and storage space for the operator. ■

For more information on the WA320PT-5, contact your sales representative or our nearest branch location.

"WORKING GEAR" MACHINES

By utilizing excavator core technology, Komatsu develops industry-specific equipment

Hydraulic excavators are primarily digging machines. Of course, you can lift with them, do demolition work and some other tasks — but for the most part, the excavator is for going underground. In recent years, however, core excavator technology has also been applied to many different above-grade applications.

"By utilizing the core technology found in Komatsu hydraulic excavators, we've been able to develop many specialized, purpose-built machines," said Mike Murphy, the excavator specialist for the Komatsu Working Gear group. Working Gear was formed several years ago to enable Komatsu, with the help of allied suppliers, to meet the needs of specific industries that require customized equipment. They include material and scrap handling, logging and waste transfer stations.

"In some cases, we essentially start with a blank sheet of paper in developing these purpose-built machines," said Murphy. "In many ways they may resemble hydraulic excavators, and their roots certainly lie in the proven world-wide componentry expertise of Komatsu excavators. But make no mistake, Working Gear machines are not excavators. They've been extensively modified at the factory level to increase productivity, reliability and longevity in specific applications."

Material-handling series

Komatsu material handlers serve as good examples of how purpose-built Working Gear machines borrow from — but also differ significantly from — traditional hydraulic excavators.

Komatsu offers six material-handling models, ranging from the PC270LC-7 up through the PC1250LC-7. The units, which are primarily used for barge loading/unloading or scrap processing, include the popular PC300-, PC400-, PC600- and PC750-model sizes.

The Komatsu material-handling series features elevated cabs (78-inch, manual-tilt

Continued . . .

Brief specs on Komatsu Material Handlers

Model	Output	Operating Weight	Reach (standard)
PC270LC-7	174 hp	70,000 lbs.	46 ft.
PC300HD-7	242 hp	89,960 lbs.	46 or 48 ft.
PC400LC-7	330 hp	118,211 lbs.	54 or 55 ft.
PC600LC-7	385 hp	144,014 lbs.	55 or 60 ft.
PC750LC-7	454 hp	203,700 lbs.	55 or 62 ft.
PC1250LC-7	651 hp	259,474 lbs.	62 or 70 ft.

All Komatsu material handlers, including the PC300HD-7 shown here in a scrap application, feature elevated cabs for better visibility, and reinforced front attachments to handle the stress of swinging heavy loads.

Customized Working Gear machines

. . continued

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

cab risers with platform and hand rails) as standard equipment. "Up and out" risers are available as an option for improved visibility in barge work. Other changes to the standard excavator are stronger structural components to better stand up to the specialized nature of the work; front window guards for increased safety; and widened carbodies and additional counterweights for better stability.

Komatsu also equips all models with hydraulic generators and electrical cables to power and operate large magnets; centralized lube plumbing and lube points; plumbing for grapple operation; and a hydraulic control package to open, close and rotate grapple with control handles and switches in the cab.

Allied suppliers

Komatsu material-handling machine fronts are designed specifically to handle the stress and strain of swinging heavy loads above grade. The units are outfitted with either a two-piece or three-piece Young Corporation front attachment with underslung hydraulic cylinders. Attachment options include shears, magnets, grapples, orange-peel grapples and clamshell buckets.

"Young Corporation is definitely a leader in its field, as is Pierce-Pacific, another primary Working Gear affiliate whose specialty is forestry applications," Murphy noted. "In looking for Working Gear partners, we seek out companies that have expertise beyond our own, who can add significant benefits for our customers. Both Young and Pierce-Pacific certainly do that."

Because of the partnerships, Komatsu material handlers can be as personalized as a customer wants and needs a machine to be.

"Very often, we or one of our partners — or both of us together — will visit a customer's jobsite to see the operational layout and take measurements," explained Murphy. "After doing that, we're able to make very specific recommendations as to what size of material handler he needs and how it should be configured to meet his production requirements. If a standard machine is not the best fit, we'll customize it to accomplish what needs to be done."

For example, Murphy notes that Komatsu's normal "up and out" cab riser option is eight feet up and four feet out. "But if a customer needs to go out six feet for optimal visibility and productivity, then that's what we'll do. We'll custom make it. That's not at all unusual for us. In fact, we do it all the time."

Komatsu material handlers like this PC1250LC-7 are often customized for a specific jobsite. "If our standard machine is not the perfect fit for a particular operation, then we'll custom-make a machine," says Komatsu Working Gear excavator specialist Mike Murphy. "It's not unusual. We do it all the time."

Best of both worlds

Like the basic Komatsu excavator, Working Gear products, including the material-handler series, feature Komatsu's patented HydrauMind™ hydraulic system, which ensures smooth, powerful, efficient operation.

"If you like Komatsu excavators for their durability, their reliability, their performance features and their technological sophistication, you're going to find the same characteristics in our material handlers and all our other Working Gear machines," said Murphy. "All we're doing is taking the existing product's strengths and adding value to it in order to give customers an industry-specific equipment solution. We think it gives them the best of both worlds." ■

Quality you can rely on

Komatsu's broad line of mining shovels rise above the competition. These diamonds in the rough offer larger buckets. More powerful digging forces. Faster cycle times. Simplified maintenance. Advanced technology that, combined with Komatsu's years of mining experience, helps you reduce downtime, increase productivity and set your own standard.

For details, contact your local Komatsu distributor. Call 1-800-Komatsu. Or visit KomatsuAmerica.com

KOMATSU®

● Komatsu America Corp., Headquartered in Chicago, IL ● North American manufacturing operations in Chattanooga, Candiac, Dallas, Newberry, Peoria and Seymour ● Over 210 distributor locations serving North America

©2005 Komatsu America Corp. www.KomatsuAmerica.com

411-1535

"UNIQUE AND UNRIVALED"

Komatsu expands efforts to produce demonstrably superior equipment

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.

John Koetz, Vice President, Product Marketing and Planning, Komatsu America Corp.

As vice president of product marketing and planning for Komatsu America Corp., John Koetz is responsible for construction equipment machine marketing strategies and planning future products.

A licensed professional engineer, Koetz earned a bachelor's degree in mechanical engineering from the University of Illinois and a master's degree in engineering from Carnegie Mellon University. He also holds an MBA degree from Loyola University in Chicago.

Before joining what was then known as Komatsu Mining Systems in 2001 as product manager of crawler dozers and motor graders, Koetz was the program manager for large tractors with CNH Global and also had served as deputy product manager for construction/material handling equipment as a major in the U.S. Army.

When he's not on the job, Koetz says his favorite thing to do is spend time with his family. "I know that sounds like a pat answer, but it's true. We work some long hours and I travel a lot for work as well, so when I get some time at home, I really enjoy going to my boys' soccer and basketball games and things like that. My wife and I are also very active in our church."

QUESTION: In 2004, Komatsu announced what it called a "unique and unrivaled" product strategy. Please bring us up to date on that effort.

ANSWER: When we talk about a machine as "unique and unrivaled," it's much more than a marketing strategy. A Komatsu "unique and unrivaled" machine is demonstrably better than any competitive model and we can prove it by spec and by performance. It may be better because of markedly superior performance or production features. It may be better because it uses significantly less fuel. It may be better because it's much roomier and more comfortable. It may be better because of all those things.

QUESTION: Which Komatsu machines fit into that category right now?

ANSWER: We have a number of "unique and unrivaled" products already on the market. These include our PC35MR-2 and PC50MR-2 tight-tail-swing compact hydraulic excavators; the PC400LC-7 hydraulic excavator; the D475A-5 bulldozer; the BR380JG mobile crusher; and our entire line of Dash-5 wheel loaders with hydrostatic transmissions.

QUESTION: Are there more "unique and unrivaled" products about to be introduced?

ANSWER: Yes. Many will be coming onto the market in 2006 with the new Komatsu "ecot3" engines. Now, not all of our machines with the new engines will be "unique and unrivaled," but a fair number of them will be. We have about 160 base machines. Eventually, we expect about 25 percent of them, or about 40 to 50 machines, to be in that "unique and unrivaled" category.

QUESTION: You mentioned the Komatsu "ecot3" engines. How do those fit into the Komatsu "unique and unrivaled" product strategy?

Komatsu is now manufacturing articulated trucks in Chattanooga, Tenn., in addition to Japan to improve responsiveness to North American contractors.

The Komatsu Dash-5 series of hydrostatic wheel loaders is an example of the company's "unique and unrivaled" product strategy, which is a concentrated effort to produce specific machines that are significantly different from, and better than, the competition.

ANSWER: All manufacturers have to meet Tier 3 air quality standards, but they are not all doing it the same way. We believe our Tier 3-compliant "ecot3" engines will not only lower emissions, but will also provide improved machine performance and fuel economy. We're not convinced other manufacturers will be as successful as Komatsu will be in meeting the emissions requirements, and at the same time making a more productive and cost-effective machine.

QUESTION: What part does technology play in Komatsu's product development efforts?

ANSWER: It plays a large part. We invest a tremendous amount of money each year on research and development (R & D) and consider ourselves a technological leader in the industry. But for Komatsu, technology is not about bells and whistles — it's about nuts and bolts. All our product planning and R & D goes back to the needs of our customers and finding ways to help them be more productive, more efficient and more profitable.

The new Komatsu "ecot3" engine, which will begin appearing in new models in 2006, is designed not only to reduce emissions, but also to improve fuel economy and performance.

QUESTION: One problem that's surfaced in the last year or two is equipment availability. What is Komatsu doing to try to improve the supply side?

ANSWER: Market demand over the past couple of years has been unprecedented. At Komatsu, we've increased both our machine and component production capacity to improve the supply side.

For example, one product that's been in great demand, especially in North America, is the articulated truck. Because of that, we've added production at our Chattanooga plant for our artic to shorten lead time and provide additional manufacturing flexibility.

QUESTION: What's the next big thing in construction/mining equipment?

ANSWER: Many of the changes and improvements are going to be the result of advances in information technology. A decade ago, there wasn't anything like today's monitoring, diagnostic and locating systems. That type of equipment, whether it's our state-of-the-art VHMS or Komtrax II, is already standard on many Komatsu models, and in the not-too-distant future, will likely be standard on all construction equipment models.

What that will do is help everybody lower their owning and operating costs by ensuring that maintenance is done as scheduled, and by speeding up troubleshooting so that repairs can be made more quickly. Side benefits will include greater machine reliability and longevity and resale values. ■

Advanced monitors incorporating satellite technology will benefit Komatsu equipment users in the future by providing more precise maintenance and repair information.

USING "epartscentral"

Komatsu customers like the convenience of ordering replacement parts online

Jay Morriss, Parts Department, Thornton Quarry

For more information on online parts ordering, contact our parts department today.

By ordering parts online through Komatsu's epartscentral, customers get updated, real-time availability and pricing, as well as 24/7 system access.

Producing between 7 million and 10 million tons of limestone annually, Material Service Corporation's Thornton Quarry near Chicago is one of the largest quarry operations in the country. To keep its large fleet of Komatsu equipment up and running, the quarry not only has a staff of mechanics, but also a two-person parts department.

"Equipment availability (machine uptime) is crucial in our industry to maintain productivity, and when we need to make a repair or just do routine maintenance, we don't want to be waiting around for a replacement part to arrive," said Jay Morriss, one of the parts specialists at Thornton. "That's why we have our own parts storeroom and keep an inventory of around 4,000 consumable wear parts."

When it comes to keeping the storeroom adequately stocked, as well as placing emergency parts orders, Morriss usually just goes to his computer and makes the transaction online at Komatsu's epartscentral.

"What I like best about Komatsu's epartscentral is that it makes everything a little quicker," said Morriss. "It gives me updated, real-time parts availability and pricing. I also like that it lets me specify the delivery location, which helps get the part to its final destination a little faster and with more certainty. Another plus is that it generates a confirmation e-mail, so if a question should ever arise regarding an order, I have the information right at my fingertips. About the only time we call our Komatsu distributor's parts department is when we need a major component or we have a question."

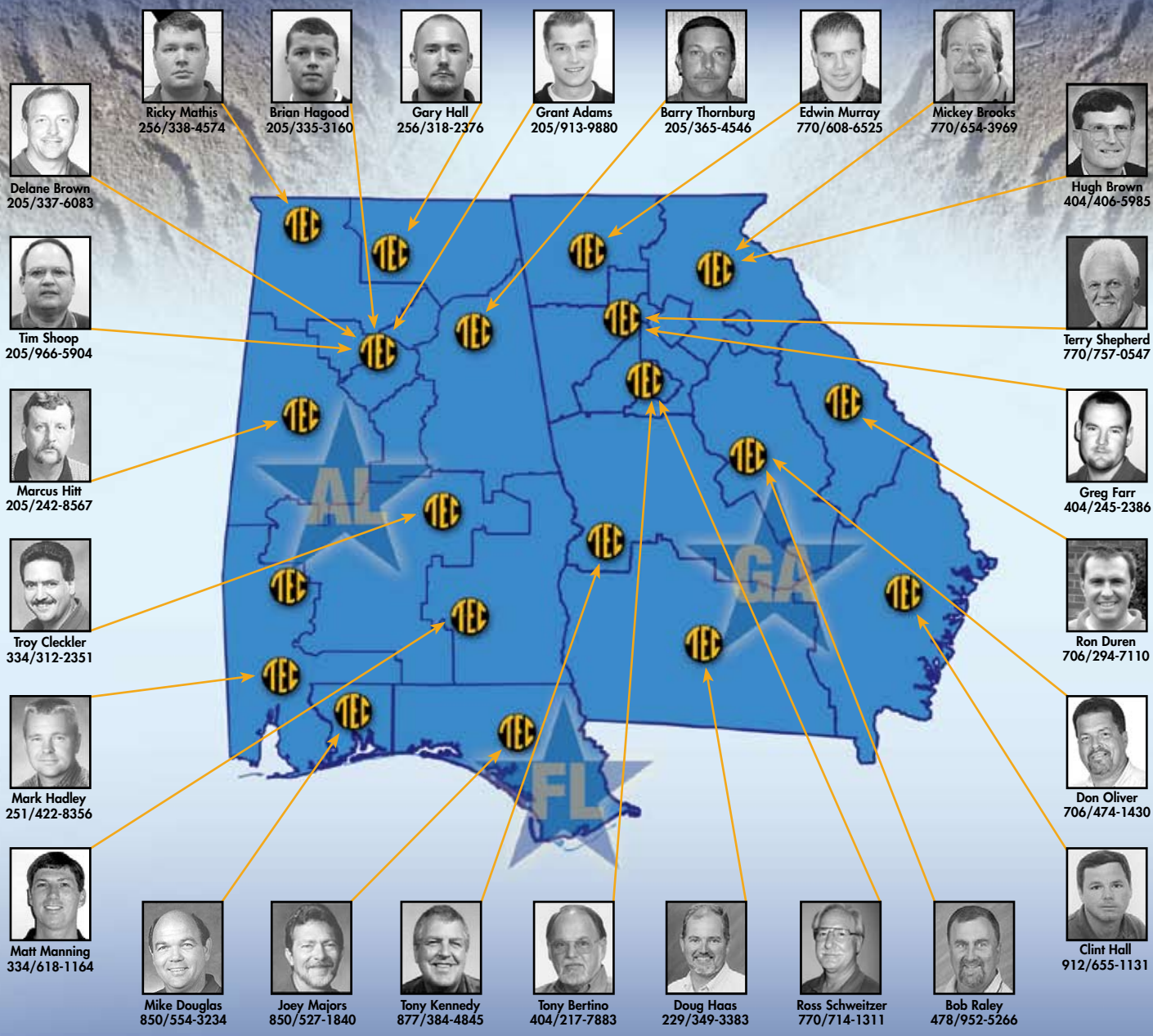
User-friendly and convenient

To order Komatsu parts online at epartscentral, you must first register at mykomatsu.com, which you can reach by clicking on the parts section at komatsuamerica.com. Register each machine individually with model and serial number to ensure that you'll have access to the correct online parts book. Before you can start ordering, your Komatsu distributor will contact you to verify your information and ensure that everything is ready to go.

"It's a user-friendly process that benefits all Komatsu customers as much as it benefits companies like Material Service Corp.," said Rainer Krautwald of Komatsu Parts Marketing. "For many customers, the beauty of online parts ordering is convenience. It's open 24/7 so you can place the order any time of the day or night, any day of the week, and know that you're going to be able to get next-day pickup or delivery." ■

TRACTOR & EQUIPMENT COMPANY

OUR PRODUCT SUPPORT SALES REPRESENTATIVES SERVE 239 COUNTIES IN ALABAMA, GEORGIA & NORTHEAST FLORIDA



WE'LL ALWAYS BE THERE! Call your local **PSSR** for all your heavy equipment needs.

BIRMINGHAM, AL
(205) 591-2131
Parts (205) 592-7276
Service (205) 592-7378

MONTGOMERY, AL
(334) 288-6580

TUSCALOOSA, AL
(205) 752-0621

DECATUR, AL
(256) 355-0305

ANNISTON, AL
(256) 831-2440

MOBILE, AL
(251) 457-8991

DOTHAN, AL
(334) 678-1832

GROVE HILL, AL
(251) 275-4158

SHOALS AREA, AL
(256) 383-5666

FOREST PARK, GA (ATLANTA)
(404) 366-0693

HOSCHTON, GA
(706) 654-9850

KENNESAW, GA
(678) 331-3640

CALHOUN, GA
(706) 879-6200

MACON, GA
(478) 745-6891

AUGUSTA, GA
(706) 798-7777

COLUMBUS, GA
(706) 562-1801

SAVANNAH, GA
(912) 233-7702

ALBANY, GA
(229) 435-0982

PANAMA CITY, FL
(850) 763-4654

PENSACOLA, FL
(850) 505-0550

CALHOUN BRANCH NOW OPEN

New location offers customers easier access and faster response time

In the next challenge to better serve northwest Georgia, TEC recently built a facility in Calhoun, Ga., replacing the old Dalton, Ga., location, which the company outgrew.

The new 20,000-sq.-ft. facility was designed and built based on the needs of TEC to maximize the quality of service it provides customers. The building includes six service bays with two five-ton, overhead cranes to service the entire shop area, a welding bay, a covered wash bay, a covered refueling and lube area, a track press area, a two-story parts-stocking area, a spacious parts counter and extra office space.

The Calhoun branch stocks a variety of Komatsu parts as well as an extensive selection of ground-engaging tools, including teeth, for a wide range of equipment.

(L-R) Parts Manager Andy Worley, Service Manager Bo Renfroe and Branch Manager DeVaughn Pettit stand ready to help customers at TEC's new Calhoun branch.

Conveniently located just off I-75 in northwest Georgia, the new full-service Calhoun branch offers sales, rentals, parts, shop service and field service.

TEC's new Calhoun branch features six service bays with two five-ton, overhead cranes.

The branch also has the latest equipment for building hydraulic hoses with fittings for virtually any machine. A track press and the expertise for complete undercarriage service, as well as hydraulic cylinder rebuilds, are available at the new Calhoun location.

Taking service to the customer is a priority for the Calhoun branch. TEC dispatches six field service trucks and one welding-specific truck from this facility.

The new Calhoun location, with Interstate frontage, as well as proximity to major crossroads, allows customers to get in and out of the branch quickly with machines and parts. Easy access is now available to Georgia cities such as Cartersville, Canton, Rome, Whitestone, Ball Ground, Marble Hill and Blue Ridge, where TEC has many established customers. Easy access also extends to Dawsonville and Blairsville.

As industry development creeps up the I-75 corridor, along with bedroom communities, second homes, retirement communities, resorts and golf communities, TEC is positioned to easily serve the needs of contractors working on these projects.

Hugh Stith, TEC Vice President-North Georgia, said building a new facility in Calhoun rather than Dalton was a decision based on the location of TEC's customers. "As the construction market continues to grow northward out of Atlanta, we needed a place a bit more south of Dalton. We can continue to serve our customers in extreme northwest Georgia, but with the increase in demand for machines and service between Kennesaw and Dalton, and points east and west, Calhoun was the place we identified as a good midpoint. We found a great piece of property in a high-growth area of Calhoun right off the I-75 corridor," he explained. ■

FULL-SERVICE KENNESAW BRANCH

TEC moves into larger facility to better meet customers' equipment needs in northwest Atlanta, north Georgia

With the growth in the construction market in northwest Atlanta and north Georgia, equipment dealers have been challenged for years to maintain a strong presence in this area. Tractor & Equipment Company has recently made some strategic moves to tackle this challenge.

Over the summer, TEC moved into a facility in Kennesaw, Ga., with easy access to I-75, I-575 and Hwy. 41 (Cobb Parkway). The 17,000-sq.-ft. facility was a huge jump in size from the small parts outlet it occupied for several years, just half a mile down McCollum Parkway. The new facility is a full-service branch with sales, service, field service and rental operations all under one roof.

According to Hugh Stith, TEC's Vice President-North Georgia, the new Kennesaw location has the space TEC desperately needed. "The shop area has a tremendous amount of space with the capability to house any machine, even a 100-ton truck. We've also designated a dedicated utility line salesmen based at this location and have ample space to stock the utility machines on site, " he elaborated.

"The Kennesaw facility was needed to properly service the northwest side of Atlanta. With the heavy traffic flow in Atlanta, servicing this area from our Forest Park, Georgia, location was becoming increasingly difficult. Rapid response to our customers' needs became more and more of a challenge. This is an extremely high-growth, heavily populated area and we needed to be where we have easy access to our customers and vice-versa," Stith explained.

He said Atlanta has three markets in one city — Cobb County (where Kennesaw, Ga, is located), Gwinnett County and the Southside. "We now have each of these major growth areas covered. That was the main strategy behind opening the Kennesaw branch," Stith said. ■

Serving customers from TEC's Kennesaw, Ga., branch are (front row, L-R) Service Manager Bryan Evans, Salesman Bill Schley; (back row, L-R) Parts Manager Curt Cook, PSSR Terry Shepherd, PSSR Greg Farr and Salesman Joel Bradfield.

TEC's new 17,000-sq.-ft. facility in Kennesaw, Ga., is a full-service branch, offering customers in northwest Atlanta and northern Georgia sales, service, field service and rental operations.

Some of the many reasons DYNAPAC is

the best on top

More efficient spray system and scrapers

More water capacity

Excellent Drum Visibility

BIRMINGHAM, AL
(205) 591-2131

MONTGOMERY, AL
(334) 288-6580
(800) 832-9563

TUSCALOOSA, AL
(205) 752-0621
(800) 582-4625

DECATUR, AL
(256) 355-0305
(800) 321-6865

ANNISTON, AL
(256) 831-2440

MOBILE, AL
(251) 457-8991
(800) 233-7213

DOTHAN, AL
(334) 678-1832

GROVE HILL, AL
(251) 275-4158

SHOALS AREA, AL
(256) 383-5666

PANAMA CITY, FL
(850) 763-4654
(800) 342-2055

PENSACOLA, FL
(850) 505-0550

PARTS DYNAPAC SERVICE

www.dynapac.com

DYNAPAC 800.651.0033

CONFIDENCE IN HIS EQUIPMENT

Distributor Certified Used excavator helps one-man operation boost productivity

Lance Alspaugh owns and operates Alspaugh Family Farms, a small Ohio land-clearing company that specializes in tree and stump removal. The company also grinds wood and sells it as mulch, and does small excavation jobs including pond building.

A few months ago, with his workload increasing, Alspaugh began looking for a larger excavator to complement a Komatsu PC120 he's had for many years. "The PC120 was a good machine and still is, but I needed more capacity."

Specifically, Alspaugh wanted a larger machine that would be both productive and reliable, but wouldn't cost him an arm and a leg. "I'm basically a one-man operation and I like it that way," he said. "But even if you're small, and maybe especially if you're small, you need equipment you can count on. I didn't need a brand-new machine, but I did need something that would work for me every day."

Alspaugh turned to his Komatsu dealer, who recommended a 2001 Komatsu Distributor Certified Used PC200LC-6 hydraulic excavator with about 4,500 hours on it.

"It was big enough to give me the added production I was looking for," said Alspaugh. "But the best thing about it from my perspective was that, even though it was used, I knew it had been thoroughly inspected by my Komatsu dealer and that any needed repairs had been made. I was able to look at the inspection report myself and could see that the machine was in good operating condition."

Dealer support

Beyond the inspection, Alspaugh says the "Distributor Certified" seal gave him additional peace of mind. "To buy a machine at auction or online or from somebody you don't know well — that's risky, and it's a risk I didn't want to take. With the Komatsu Distributor Certified program, I knew exactly what I was getting. Equally important, if any issue does come up, I know my Komatsu dealer is going to back it up and be there for me."

Alspaugh also cited very favorable finance rates which made the unit even more affordable. "I think Komatsu Distributor Certified machines probably represent the best value in used equipment in the country," said Alspaugh. "You may be able to find something cheaper, but when it comes to knowing what you're getting and paying a fair and appropriate amount based on real information and trust, I don't think you can beat it." ■

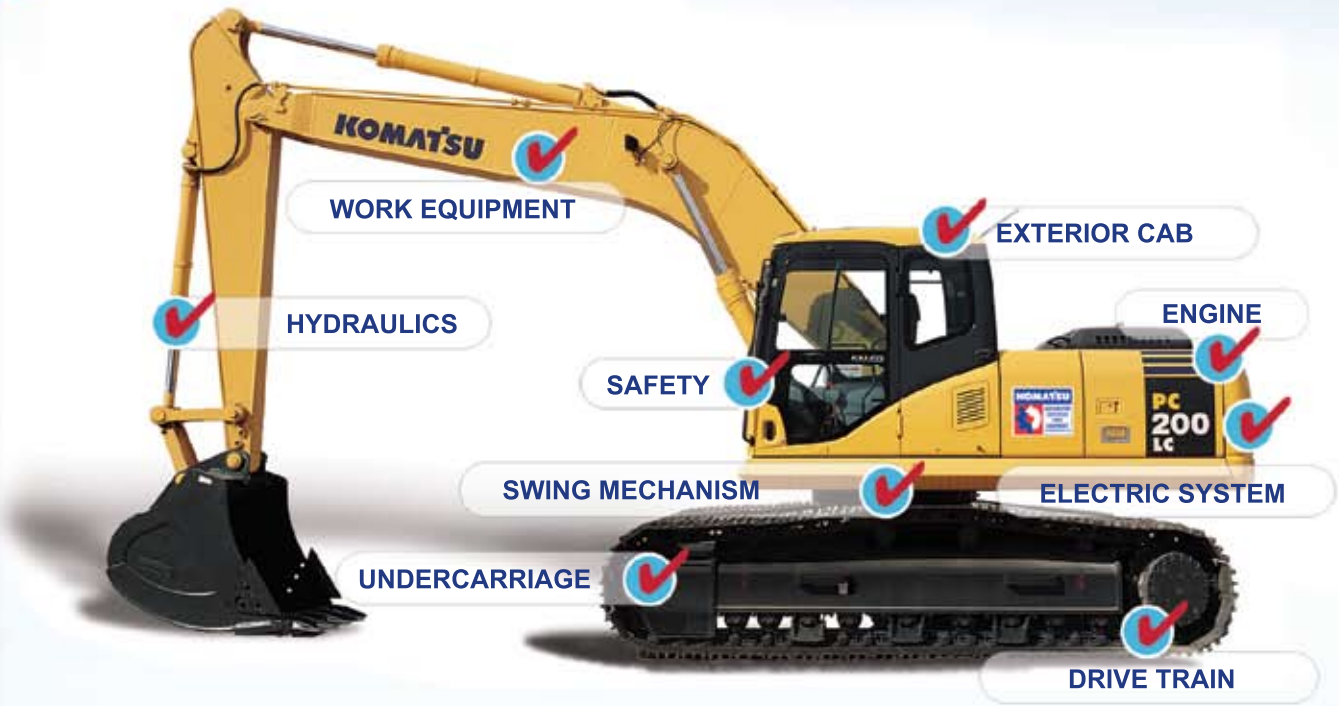
KOMATSU DISTRIBUTOR CERTIFIED USED EQUIPMENT

For more information on Komatsu Distributor Certified Used machines, talk to your sales representative or call or visit our nearest branch location.

Lance Alspaugh of Alspaugh Family Farms recently bought this Komatsu Distributor Certified Used PC200LC-6. "I like the fact that it's been thoroughly inspected by someone I trust, my Komatsu dealer," said Alspaugh. "In my mind, the inspection considerably reduces the risk of buying a used machine."

KOMATSU DISTRIBUTOR CERTIFIED USED EQUIPMENT

The next best thing to new.



If it can be measured, we measure it!

Whether you're looking for a high-quality machine that will become part of your fleet, or for a machine that will get you through the busy season, Komatsu Distributor Certified Used Equipment is your best alternative to buying new.

If it can be measured, we measure it! Specially trained Komatsu Distributor Certified evaluators check, measure and diagnose virtually every aspect of the machine. Once the machine meets Komatsu's high performance standards, your local distributor can tailor the machine for your site-specific needs. And to add to your peace of mind, most Komatsu Distributor Certified Used Equipment is eligible for special financing and warranty.

Purchasing Komatsu Distributor Certified Used Equipment makes sound business sense. You'll receive good value for your money and a reliable and productive machine that will get the job done for years to come — we guarantee it!

To learn more about Komatsu ReMarketing's Distributor Certified Used Equipment, contact your local Komatsu Distributor or go to our Web site at www.equipmentcentral.com and click on "used equipment."

KOMATSU REMARKETING

Call Dick Tabb
404-366-0693

Fax: 404-366-9688
dtabb@tractor-equipment.com

Call Rick Mathis
205-591-2131

Fax: 205-592-7581
rmathis@tractor-equipment.com

Komatsu D155AX-5, S/N 75095, 2003

Komatsu PC220LC-7, S/N A86232, 2003

EXCAVATORS

Komatsu PC200LC-6, S/N 104517, 1999 . . . . . **$80,000**
Komatsu PC200LC-6, S/N A85108, 2000 . . . . . **$80,000**
Komatsu PC200LC-6, S/N A82233, 1999 . . . . . **$70,000**
Komatsu PC220LC-7, S/N A86232, 2003 . . . . . **$140,000**
Komatsu PC220LC-6, S/N A83702, 1999, w/60' long front **$170,000**
Komatsu PC250LC-6, S/N A83197, 1999 . . . . . **$90,000**
Komatsu PC300LC-6, S/N A83343, 1999 . . . . . **$110,000**
Komatsu PC300LC-6, S/N A83027, 1999 . . . . . **$100,000**
Komatsu PC300LC-6, S/N A83118, 1999 . . . . . **$100,000**
Komatsu PC300LC-6, S/N A84710, 2001 . . . . . **$150,000**
Komatsu PC300LC-6, S/N A84442, 2001 . . . . . **$150,000**
Komatsu PC300LC-6, S/N A83220, 1999, long front **$175,000**
Komatsu PC300LC-6, S/N A81200, 1998 . . . . . **$120,000**
Komatsu PC300LC-6, S/N A83551, 1999 . . . . . **$100,000**
Komatsu PC400LC-6, S/N 32788, 2003, w/hammer **$325,000**
Komatsu PC400LC-6, S/N A85329, 2003 . . . . . **$250,000**
Komatsu PC400LC-6, S/N A80642, 1998, w/hammer . . . **$200,000**
Komatsu PC400LC-6, S/N A84052, 2001 . . . . . **$180,000**

MOTOR GRADERS

Komatsu GD555-3A, S/N 51007, 2004 . . . . . **$150,000**

COMPACTORS

Ingersoll-Rand SD77F, S/N 170373, 2002 . . . . . **$55,000**
Dynapac CA252PD, S/N 320587, 1998 . . . . . **$45,000**
Dynapac CA151A, S/N 811090, 1995 . . . . . **$36,000**

DOZERS

Komatsu D31PX-21, S/N 050187, 2003 . . . . . **$50,000**
Komatsu D31PX-21, S/N 50070, 2002 . . . . . **$50,000**
Komatsu D31PX-21A, S/N 50534, 2004 . . . . . **$67,500**
Komatsu D39PX-21, S/N 001233, 2004 . . . . . **$75,000**
Komatsu D39PX-21, S/N 1214, 2003 . . . . . **$70,000**
Komatsu D39PX-21, S/N 1101, 2002 . . . . . **$67,500**
Komatsu D41E-6, S/N B21249, 1999 . . . . . **$60,000**
Komatsu D41E-6, S/N B21014, 1998 . . . . . **$55,000**
Komatsu D41E-6, S/N 21035, 1999 . . . . . **$50,000**
Komatsu D41E-6, S/N B20549, 2000 . . . . . **$60,000**
Komatsu D41E-6B S/N B30096, 2001 . . . . . **$72,500**
Komatsu D41P-6, S/N B21400, 1999 . . . . . **$60,000**
Komatsu D41P-6, S/N B21708, 2001 . . . . . **$75,000**
Komatsu D41P-6, S/N 20313, 1997 . . . . . **$45,000**
Komatsu D41P-6, S/N B21454, 1999 . . . . . **$60,000**
Komatsu D41P-6, S/N 21357, 2000 . . . . . **$65,000**
Komatsu D41P-6, S/N 20642, 1997 . . . . . **$45,000**
Komatsu D41P-6, S/N 21444, 1999 . . . . . **$60,000**
Komatsu D58P-1, S/N 81658, 1999 . . . . . **$70,000**
Komatsu D61EX-12, S/N 1123, 2000 . . . . . **$85,000**
Komatsu D65EX-12, S/N B62607, 1998 . . . . . **$85,000**
Komatsu D155AX-5, S/N 75095, 2003 . . . . . **$315,000**
Komatsu D155AX-5, S/N 75003, 2001 . . . . . **$315,000**
Dresser TD12CXP, S/N 20961, 2000 . . . . . **$95,000**
Dresser TD9H, S/N 46459, 2003 . . . . . **$60,000**

WHEEL LOADERS

Komatsu WA320-3, S/N A31036, 1999 . . . . . **$65,000**
Komatsu WA320-3, S/N A31888, 2002 . . . . . **$75,000**

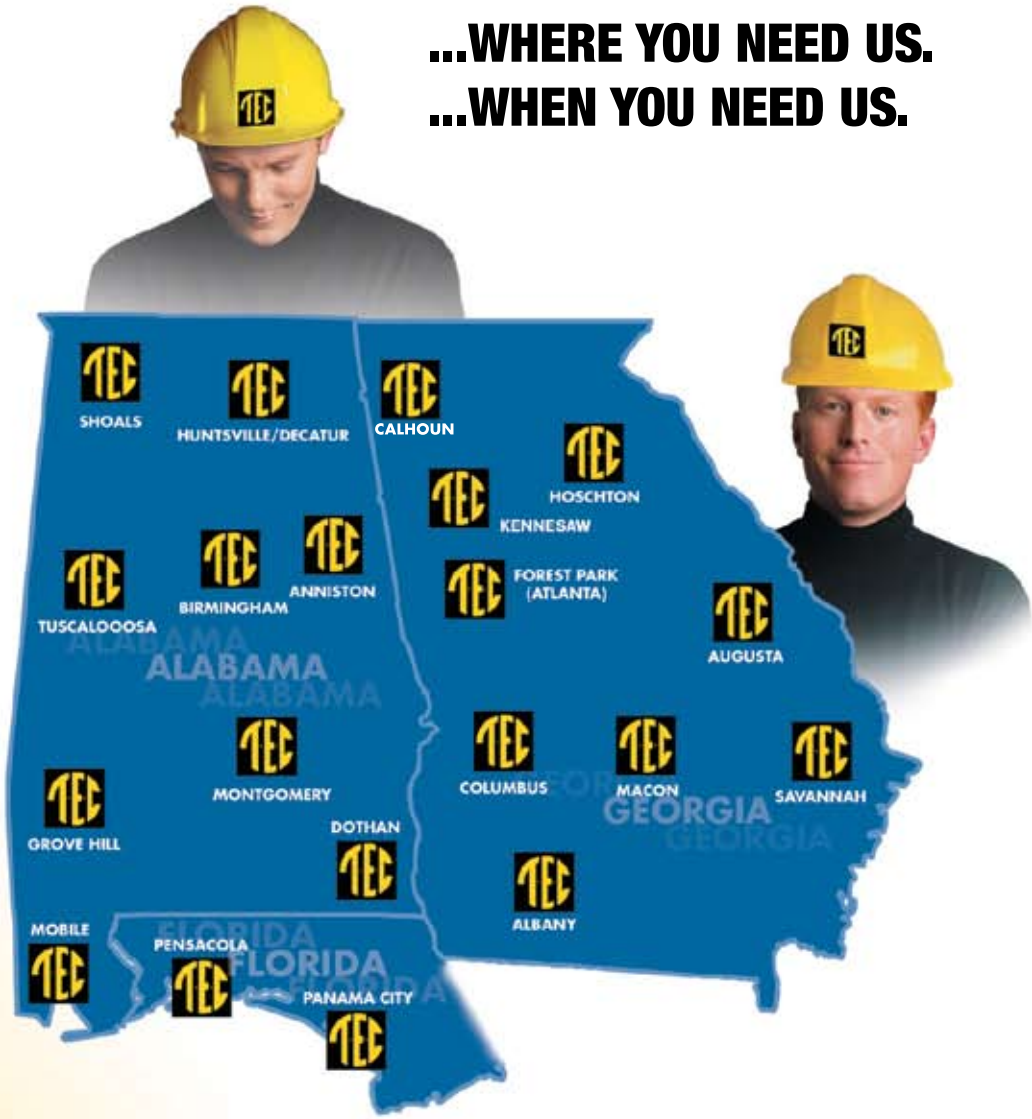
C.P.I.
P.O. Box 1689
C.R., IA 52406-1689

Change Service Requested

Presorted Standard
US Postage Paid
C.P.I.

THE PEOPLE
THE PRODUCTS
THE SERVICE

...WHERE YOU NEED US.
...WHEN YOU NEED US.



TRACTOR & EQUIPMENT CO. LOCATIONS:

BIRMINGHAM, AL
(205) 591-2131

MONTGOMERY, AL
(334) 288-6580
(800) 832-9563

TUSCALOOSA, AL
(205) 752-0621
(800) 582-4625

DECATUR, AL
(256) 355-0305
(800) 321-6865

ANNISTON, AL
(256) 831-2440

MOBILE, AL
(251) 457-8991
(800) 233-7213

DOTHAN, AL
(334) 678-1832

GROVE HILL, AL
(251) 275-4158

SHOALS AREA, AL
(256) 383-5666

PANAMA CITY, FL
(850) 763-4654
(800) 342-2055

FOREST PARK, GA (ATLANTA)
(404) 366-0693
(800) 488-0693

HOSCHTON, GA
(706) 654-9850
(888) 334-9850

KENNESAW, GA
(678) 331-3640

CALHOUN, GA
(706) 879-6200
(800) 827-3072

MACON, GA
(478) 745-6891
(800) 786-3120

AUGUSTA, GA
(706) 798-7777
(800) 659-3090

COLUMBUS, GA
(706) 562-1801

SAVANNAH, GA
(912) 233-7702
(800) 827-1405

ALBANY, GA
(229) 435-0982
(800) 733-0982

PENSACOLA, FL
(850) 505-0550

KOMATSU MAXY

ESCO Engineered Products · TRASHMASTERS A DIVISION OF CMI · GRADALL

CRUZ-AIR · DYNAPAC · TRAMAC

DRILTECH · HENSLEY · P&H / TEREX · * BLOUNT Prentice, Hydro-Ax CTR, Fabtek

**** In Alabama & Florida, Blount is only available through the Dothan, Pensacola & Panama City branches.***