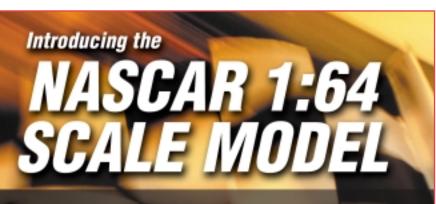




Controlling Costs with KAWASAKI

Las Vegas Paving Bravo Underground Eagle Environmental Transport

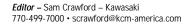
- Ser Kawasaki



This is a 1:64 DODGE INTREPID die cast stock car replica with the Kawasaki Construction Machinery racing scheme, including corporate sponsors Cummins, JRB, CIT, Lubritech, and Bridgestone/Firestone.

Produced by the makers of the Racing Champions, Ltd. series.

These models are now IN STOCK and available through your local Kawasaki Dealer!





BUILDING Las Vegas

Bugsy Siegel, Howard Hughes, the Rat Pack, Elvis Presley, Wayne Newton, Siegfried & Roy — these legendary names are synonymous with making Las Vegas famous.

We think another name should be added to the list: Bob Mendenhall.

"Bob started Las Vegas Paving in 1958," says Jay Smith, President. "He had
\$1200, a rake, and a shovel. He built it from there. This year, we have 535 jobs under contract for about \$447 million and 900 employees. Bob owns a number of patents, many relating to asphalt recycling. He's also

bought land and expanded into other enterprises. As a result, almost every year he's been awarded as being one of the Top Ten privately held businesses in the area."

Las Vegas is a definitely a contractor's paradise. Now 100 years old, Clark County and its most famous city are in the midst of a huge building boom that shows little sign of going bust. Las Vegas Paving Corporation has grown to match. Some say there's not a street in Las Vegas that isn't paved with their mix. Two of the company's more high profile projects include work at the Las Vegas Motor Speedway (see sidebar) and a record asphalt lay at McCarran Airport. During that job, they produced 8,366 tons of hot mix in a single 11.5-hour day. That record has yet to be broken.

Many of the company's operators feel the Kawasaki loaders cycle quicker and more productive than their other loaders. The company runs about 50 crews.

LAS VEGAS MOTOR SPEEDWAY HIGH PROFILE PAVING

Las Vegas Paving, known for specialty paving projects in the Las Vegas area, was awarded the paving job for Las Vegas Motor Speedway back in 1996. This prestigious job was awarded to Las Vegas Paving based on their "track" record with other high profile paving projects such as McCarran Airport, Nellis Air Force Base, Red Rock Canyon, and Highway 95.

The contract consisted of the construction of the tri-oval and road course racing surfaces, including the placement, compaction, and fine grading of approximately 70,000 tons of aggregate base course, 27,000 tons of asphalt leveling base, and 13,500 tons of a special racing surface asphalt.

Once the aggregate base and leveling base passed rigorous testing, Las Vegas Paving proceeded to place the racing surface. The racing surface consisted of 13,500 tons of special polymerized asphalt and 3,000 tons of blast furnace slag aggregate shipped by rail from Portage, Indiana. In order to meet the stringent requirements for the speedway, Las Vegas Paving dedicated one of the six asphalt plants they owned to the production of materials. The construction of the racing surfaces required 10,000 man hours and 28 pieces of equipment, most of which was new or modified to meet the tolerances required for the track.*

*"Las Vegas Motor Speedway: The Legend Begins." 1996, Pioneer Publications, Inc., Bill Levisohn, Publisher.



A Las Vegas Paving crew places the racing surface on the road course at the Las Vegas Motor Speedway.

Las Vegas Paving lays the first layer of the asphalt concrete pavement leveling course on turn 3 of the Las Vegas Motor Speedway tri-oval.





Las Vegas Paving tracks equipment usage. A machine sitting idle in one division is moved to another where it can be put work.

Las Vegas Paving handles almost every kind of contracting job themselves except electrical. Asphalt, underground, and concrete are their bread and butter. They have eight hot mix plants, two portables, and 15 crushers. Their primary target is public works but they do a lot of private paving as well as supply outside contractors with mix. Of course, things weren't always that way.

"When I first came to work here, we'd sub out our underground and concrete," recalls Smith. "As we grew, we brought on underground as a way to accumulate the grade, gravel, and paving work. Then we handled concrete so we could go in with a rounded package. We could control the projects better, have more to offer, and bring the cost down. Every time you sub something, you lose another layer of profit. But you don't want to get yourself in a jam either by

taking on something you are not comfortable with. You don't want to lay awake at night, simply hoping you can get through it."

With divisions now in materials, excavation and grading, underground, concrete, commercial building, hydrocarbon remediation, and trucking, the corporation's enormous equipment fleet includes nearly 90 Kawasaki loaders.

"We first tried Kawasaki in the mid-1980s," says Rick Ewing,

Equipment Coordinator. "The dealership was going out of business and we got a great deal. As it turned out, we had good luck with them, so we called Kawasaki about getting more. Bob having started Apco Equipment in the early 60's, it seemed like a perfect compliment to their already existing equipment lines. Kawasaki thought so also, thus, Kawasaki found a new home with Apco Equipment."

Las Vegas Paving has all sizes of loaders. The 60s through 80s are used in their concrete division. 80s and 90s are used in the underground division. Crushers use 95s and 115s and hot plants use 90s and 95s. Paving crews use 60s, 65s, and 70s while grading crews work with 90s, 95s, and 115s. Various divisions share the company's 135.

With such a large spread, tracking owning and operating costs is a necessity. The company's loader fleet is primarily Kawasaki, but not exclusively. This has afforded them the opportunity to

Bidding is fiercely competitive. Las Vegas Paving considers an average annual bid

compare brands. "Kawasaki ultimately runs cheaper than Cat," states Smith. "I've tracked our on-average costs on a comparable piece and they are a couple of dollars cheaper per hour."

"Kawasaki is definitely cheaper than Cat," affirms Ewing. "To rebuild a Kawasaki in-frame is cheaper than rebuilding a Cat in-frame. Parts are cheaper. The engine is a bit more fuel efficient, so we save there too."



Jay Smith, President, attributes the growth of Las Vegas Paving to its people.

Las Vegas Paving does its own maintenance when it comes to lube, oil, filters, and small mechanical fixes. They'll even do overhauls. But larger items like transmissions are sent to APCO while engines are sent to Cummins. Once a machine turns 10-12,000 hours, it will be examined to see if it should be cycled out.

"One thing I really appreciate about Kawasaki is the good rapport we have with the factory," states Ewing. "Whether a company is big or small, Kawasaki has no hesitation about providing direct contact information. We had a problem with a transmission on a brand new machine. I called Gary Bell, the Vice President and General Manager. He had a replacement sent out that night. I really like that accessibility. With other companies, you'd only get as far as your local sales rep."

Las Vegas Paving Corporation is serviced by APCO Equipment, North Las Vegas, Nevada.



One of Bravo Underground's 952Vs is doing Run Vee Hobart site prep in Las Vegas, Nevada. Construction projects in southern Nevada generally run behind, even in the planning phase. So developers plan on accelerated schedules from the outset. As a result, jobs are usually bid with overtime to speed completion.

Bravo A

osé Ledon is a remarkable example of someone living the American dream. When he was a child, his family left communist Cuba with just the clothes on their backs. Today, Ledon is the President and CEO of Bravo Underground, Inc., in Henderson, Nevada — a corporation with 56 million dollars in contracts and nearly 500 employees. He is extremely loyal to his staff, customers, and suppliers. He is profoundly grateful for the opportunities he's been given here in America. And he's eager to take on new challenges.

"I'm the kind of guy who, if you bring me a good project, will not say 'no' to it," says Ledon. "It's what got me to this size today in nine short years. But I'm not afraid to pass on a project if I'm too busy. Doing more work than the company can handle isn't safe, and the last thing I want to do is have an employee get hurt on the job."

Initially, Bravo specialized in electrical, telephone, and cable installations for commercial and residential developers. Today, the company also does sidewalk and curb work as well as underground water, sewer, and utilities. "I won't even bid the work unless I can do it all," states Ledon. "I lose too much time otherwise. Now I can prep the job while I'm coming out of my utilities, do the curbing, then do the power." Bravo runs 14 crews in water and sewer, nine in power, and seven in gas. Their spread numbers 130 machines. Thirtyeight are loaders — 14 of which are Kawasaki, ranging in capacity from 4.25 to 7.25 cubic yards.

"Years ago, I purchased three Kawasaki's for the company I was working for. We had some problems that weren't resolved very well, so I was reluctant to buy any of my own. Back then, Bob Joyce, our current APCO rep, worked for another dealer. There he had gone out of his way to help me to get the parts on some other pieces of equipment so I could stay up and running. When Bob moved to APCO and called on me about Kawasaki,





Job site specs don't allow backfill rock larger than 16 inches. So, Bravo screens all material before backfilling, using their own screens. They've fabricated 20 to date.

I told him of lingering bad feelings at the old company and my hesitation. APCO took the initiative to resolve things at my previous employer. That sold me. He also assured me he'd stick by these loaders — and he has." The company uses their Kawasaki 80s in gas and power, and their 90s and 95s in water and sewer. "We like the bucket capacity because of the dirt we push," says Ledon. "We do a lot of ditch digging. To backfill the trenches, you can't just push the dirt back in. You have to screen it and do a lot of mixing. The more loaders I have, the faster the work goes.

"My operators love their Kawasaki's. They'll get off a brand new Caterpillar to run a used Kawasaki. I like them too. My maintenance costs are very low. I've never been down. And if I were, I know APCO would have a loaner out to me and I'd be able to finish the work that day. They've been incredible to us. I plan to continue looking at Kawasaki loaders in the future.

"I love what I do. Every once in a while there is a problem, but I like the challenge. I always wanted to be the



José Ledon, President & CEO, Bravo Underground, Inc., with Bob Joyce, Sales Rep, APCO Equipment.

champion — even when I was a kid in the boxing ring. But only so many people can be the champion. That is what I am working on with this company. I want it to be the best."

Bravo Underground is serviced by APCO Equipment, North Las Vegas, Nevada.



No matter what you need to do, we've got the attachment for your Kawasaki construction machinery.

You name the job, and Paladin Heavy Construction Group—JRB, C&P and Badger—have the attachments to get it done. In fact, no one in the business offers you more attachments that are built with better quality and backed by faster service. You have our word on that.



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Talkin' Talkin' TRASH Georgia

The 90ZV works at Doraville, handling only C&D materials. It is equipped with a 10 cubic-yard refuse bucket. t's 3 AM at Advanced Disposal's waste transfer station in Doraville, Georgia. The atmosphere is thick with dust and humidity, the pace relentless. Eagle Environmental Transport, headquartered in Forsyth, Georgia, is two hours into a 12-hour cycle of orchestrated chaos — shoveling trash, loading trailers, and hauling debris to two landfills.

The Kawasaki wheel loader operator is scooping up heaps of C&D (construction and demolition) material with a huge 10 cubic-yard refuse bucket, then loads 50-foot, 120 cubic-yard trailers. Each Mack CH Series truck and East Walking Floor trailer take about a half hour to fill, an hour to drive to one of two landfills, a half hour to discharge, then an hour back to the transfer station. As daylight breaks, garbage trucks begin to lumber in, depositing debris from their earlymorning rounds. After the loading and hauling ceases in the early afternoon, garbage trucks continue to offload, creating new mounds to be dealt with in the early hours of the following day.

Eagle Environmental Transport works two transfer stations for Advanced Disposal — the second is located in Cartersville, Georgia. On a good day, they will shuttle a thousand tons of debris from each station. In a business that makes money based on the number of tons hauled, any hitch in the process can create a backlog that seriously impacts profits. Jarod Lovett, President, does his best to minimize any mechanical slowdowns by purchasing dependable, low maintenance equipment able to move high volumes of trash.

"I started two different garbage companies in Georgia," recalls Lovett. "Both times Advanced Disposal bought me out. Then, when I was a general manager at Advanced Disposal, the company approached me about starting my



Riverside is a mixed C&D and MSW facility. The 85ZV is typically parked in the middle while dry material is dumped on one side and wet material on the other.

own by making a hauling contract with them. I wasn't interested in doing a little five-truck show, so we negotiated a contract to use my loaders and haul trucks at two of their transfer station facilities. Once I had the contract, I needed to shop for equipment."

When it came to wheel loaders, he became frustrated dealing with the local Cat dealer. The more frustrated he got, the more he kept staring at a Kawasaki loader wall calendar hanging over the desk of a friend and co-worker. In a classic example of "it's a small world" story, it turned out the office mate had gotten the calendar at a Kawasaki River Fest event in Florida from a mutual friend of them both, who had moved away from the area and worked at a Kawasaki dealership. That sparked the idea to pursue Kawasaki.

"So Jarod called me and asked a lot of questions about Kawasaki loaders, options, and especially pricing," says Steve Tuton, a Kawasaki sales rep.

"I educated myself about several brands of loaders," explains Lovett. "I checked out the Kawasaki loaders and liked what I saw. I felt the overall quality was better



and I really liked the all-steel design no plastic to break. From a service standpoint, some dealerships don't treat small companies with the same timeliness, respect, and care as bigger ones. I could tell that would not be a problem with Kawasaki. I also like that the Kawasaki factory is close by, parts are not a problem, and there is easy access to key people. There was a good comfort level going into the deal."

As a result, Eagle Environmental purchased three Kawasaki loaders: a used 70ZIV-2, and an 85- and 90ZV. The ZVs are equipped with Kawasaki's standard refuse package plus two other factory options — an undercab guard to protect steering hydraulics, the brake, and throttle linkage from debris; and an engine air pre-cleaner to separate and eject the larger, heavier particles before they reach the regular air filter. To prevent debris ingestion problems, the 90 also had its A/C condenser relocated higher and its air intake covered with a special screen.

The Kawasaki loaders have proven to be very productive because of their quick cycle times and high uptime. Lovett also purchased large refuse buckets for his ZVs in order to speed his loading time even more (see side bar). His Kawasakis handle the oversized buckets with ease, remaining stable. The solid rubber tires on all three loaders eliminate worry from punctures or failures. They also increase traction and pushing power while adding more stability during loading.

"I've been very pleased with the Kawasaki loaders," states Lovett. "I like the way the company listens to its customers and is willing to learn from field experience. The service and warranty response have been great and the operators like the loaders a lot. Our company is looking for moderate growth this year and I plan to order a couple more Kawasakis."



Specialty buckets make a huge difference in the efficiency of any loading operation. Refuse buckets are characterized by their generous size and flatter floor design that enables the operator to get in under the debris. Two companies that offer refuse buckets are JRB and Dymax.

> The eight cubic-yard JRB waste bucket used by Eagle Environmental on its 85ZV handles both C&D and heavier MSW (municipal solid waste) materials. The visibility spillguard is made from durable round bar. The side cutter and skid bars, as well as the top gussets holding the round bar, are made from AR400 material for durability and strength. The bucket uses a replaceable bolt-on

skid pad and the bucket front weld in edge is drilled to use standard OEM auxiliary edges.

The company's 90ZV is equipped with a Dymax 10 cubic-yard bucket. Since it works with lighter C&D materials, this large size, coupled with the loader's inherent stability, poses no problems. This particular bucket was ordered with a longer flat floor to make it easier to smash refuse in the trailer, taking advantage of the 90's ability to deliver a lot of down force to crush and compact. The bucket also features a visibility screen to reduce weight, replaceable wear plates, and a z-bar clearance pocket to enable full rollback — useful since material must be lifted over a six-foot barrier.

As the Kawasaki Sales Person of the Year, the winner of the 2004 Bill Gibbs Award is...

Joe Schiefer, Bejac, Inc.

¹¹ We are pleased to be awarding the 2004 Bill Gibbs award to Joe Schiefer. Joe has proven to be a dedicated and highly productive Kawasaki salesman. Joe has consistently qualified for our Top Ten Salesman list. He is committed to his customers, his company, and his suppliers. We'd like to have more salesmen like Joe selling Kawasaki loaders! ¹¹ – Gary Bell, Vice-President, General Manager, Kawasaki Loaders



BILL GIBBS AWARD

The award was established by Kawasaki as a memorial to the late Bill Gibbs, sales representative, GS Equipment, Inc. of Tampa, Florida, who was the number one Kawasaki wheel loader salesman in North America for over ten years. He was known for his professionalism and his attitude. He always represented himself, his distributorship, and his manufacturers in the most ethical manner. Gibbs passed away in February 1999. The first Bill Gibbs Award was presented for the 2000 Salesman of the Year.

Joe Schiefer Bio -

I started at Bejac in October of 1998 as Sales Manager. I was "promoted" to Territory Manager (salesman) in January of 2001. It has proven to be very beneficial to have worked on the inside for a couple of years to gain familiarity with how to interface with the suppliers, finance, etc. before making sales calls.



Gary Bell, Kawasaki Loaders; Joe Schiefer, Bejac Corporation; Rick Adams, Kawasaki Loaders.

My territory includes Riverside and San Bernardino counties. Products include Kawasaki loaders, Link Belt excavators, Dynapac rollers, and Indeco hammers.

I live in Yorba Linda, California with my wife of 27 years, Carol, who teaches elementary school. Our son, Bobby, is attending San Diego State University, studying acting.

Prior to working at Bejac, I worked in the aerospace industry for 20 years. My last position was Vice President of an investment casting foundry, Miller Castings, which has 165 employees.

My success in the equipment business can be attributed to several factors. First of all, I absolutely enjoy what I am doing. I try not to have any preconceptions of what a customer's needs are. I listen very carefully to what their situation is and try to match their needs with our products. I don't try to sell a "cookie cutter" program. Every deal is customized. This extra effort is appreciated.

As important as the equipment is the support they get from Bejac and the factory. Bejac has carefully aligned itself with suppliers that are end-user focused. We also try to out do all of our competition in the service side of the business, this is where we separate ourselves. This is why two out of three machines we sell are to repeat customers.

Among other representatives from Kawasaki, the President and Vice President have allowed me to take them in the field to see their machines in my customer's applications. How many other salesmen out there get that kind of support?

My biggest customers operate quarries, which operate 24 hours an day, and pipeline contractors that rely heavily on their loaders. The combination of Kawasaki loaders along with Bejac's support is making these customers more successful than ever. That says it all.

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Since 2003, Kawasaki has offered Lincoln automated lubrication systems installed by LubriTech. LubriTech and Kawasaki have reviewed and carefully considered all the necessary auto-lube system parameters, options, customer input, and service points in order to offer the best auto-lube system for wheel loaders.

Features and Benefits:

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- Never lose the capability to lubricate manually

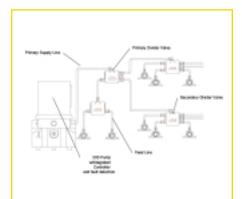




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For many Kawasaki customers, buying an automated lubrication system has been a financial decision.

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The Lincoln QuickLub Pump is actuated automatically by an internal adjustable timer. Grease flow starts and lubricant is delivered to the main primary valve. The primary valve distributes grease in measured amounts to each secondary valve. The secondary valves proportion grease and deliver the exact amounts required by each lube point. The pumps turn off after receiving a signal from the system monitoring proximity switch. The pump must receive a signal from this switch for the lube cycle to be successful. Any plugged line, motor malfunction, or low reservoir level will generate an alarm and light the in-cab monitoring light. This will notify the operator of a lube system fault.

"The right amount, to the right place, at the right frequency"

By: Adrian Britt, LubriTech and Scott Davies, Lincoln

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