

Kawasaki

2ND ISSUE 2008

FOCUS

EXTREME MACHINES

KAWASAKI IN DEMANDING APPLICATIONS



PREMIER CHEMICALS • CUNNINGHAM SAND AND GRAVEL • CHESTERFIELD FARMS

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In a world of increasing demands, tighter deadlines, shrinking budgets and complicated contracts, better efficiency and greater productivity are a must. Innovative high-tech features on all Kawasaki wheel loaders allow the operator to adapt to the environment and the application right from the cab.

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PREMIER CHEMICALS

When you think of historic mines in the western U.S.A., all kinds of images come to mind — grizzled prospectors coaxing donkeys through the desert; rickety shafts carved into mountainsides filled with peril as well as precious ore; railroads carrying payroll, bullion, and tycoons. But the historic mining operation we're here to see in Gabbs, Nevada, doesn't fit any of those stereotypes. Owned today by Premier Chemicals, it is an open-pit magnesium mine that's been around since 1929, making it one of, if not the oldest, continuously operating mines west of the Mississippi River.

Brucite, a magnesium-based mineral, was first mined here by jackhammers, with the ore loaded by hand into skips and then



Adam Knight, General Manager, Premier Chemicals operation at Gabbs, Nevada.

trucked to the crusher. In fact, the primary crusher still in use is a 1925 Allis Chalmers crusher, which most certainly is one of the oldest crushers still operating in the world. The company's MSHA number is #2.

The original products were used in open-hearth furnaces for steel production. During WWII, a time when most of the plant was built, the operation focused on a magnesium concentrate which was reduced to magnesium metal for airplane production. After the war, the plant focused on making magnesium bricks used in steel manufacturing. As the U.S. steel industry declined in the 1980s, the operation slowly re-invented itself into a chemical operation focused on mining, crushing, and producing multiple magnesium oxide-based products.



MODERNIZATION BEGINS

Over the past number of years, Premier Chemicals had migrated from using a small cable shovel bought in the 1960s to medium-sized wheel loaders. “We had previously purchased Caterpillar 990 loaders. It is a fantastic loader and we’re very pleased with them,” notes Knight. “That size loader fits our 65-ton rigid haulers and our crusher.”

In 2005, company management decided to increase production by 50 percent in anticipation of the increased demand for their finished products. These include variations of magnesium oxide which are in high demand for minimizing odors in waste water operations, minimizing the acid rain from coal powered electric generating plants, and for boosting the health and growth of livestock as a trace mineral in animal feeds.

“It takes a while to effect such a large increase in production. The 2005 decision was ultimately implemented during 2007



Most product ships by bulk but the company also has a bagging facility that ships special mixes in 50-lb. to 2-metric-ton bags.

which was a time of tightening budgets with many of the municipalities that we sold to. So, while there was high demand for our

product, there were market limits to prices that we could charge,” says Knight.

MORE LOADING POWER REQUIRED

As the company became ready to actually purchase an additional loader and add to their truck fleet, it became evident that Caterpillar’s loader prices had increased substantially. “Even though we were best of friends with our Cat dealer, the price of a new loader that matched our older 990s had increased by 40 percent.” In short, the company had a case of sticker shock. They had to look at alternatives.

“Now by coincidence, we were looking at a number of loader sizes for other applications. In our search, we saw a used Kawasaki loader for sale; I believe it was the 70 model. I operated it at the dealership and I was impressed with it. So, I did some research and learned that Kawasaki made a loader about the same weight class as the loader I was looking for.”

“The Kawasaki 135 has more horsepower, more breakout force, and more stability which means that each truck is 100% full.”
– Adam Knight, General Manager, Premier Chemicals



BEST ALTERNATIVE

"On paper, the Kawasaki 135 was quite impressive to the 990," says Knight. "It was substantially less expensive. It had more horsepower and more cooling capacity in the engine, transmission and hydraulic system. I believe Caterpillar uses Kawasaki hydraulic pumps. We did a bunch more research and learned that there's an outfit in Las Vegas that runs Caterpillar side-by-side with the Kawasaki equipment. They had a total of 100 or 160 loaders and were quite happy with the Kawasaki-brand loaders."

"Anyway, we got the 135 and we've had it for about a year. It's as powerful as advertised. It's a little more stable than the loaders we've been using because of its weight distribution. The Kawasaki loader is a little bit longer so when it's digging into muck, the operator's not spinning the tires as much. I think we have less tire wear on the 135 than we do with the other loaders we're using."



The on-site plant crushes, processes, and blends the mined ore creating over 40 specialized products.

MORE BREAKOUT

"Another thing we really like about the 135 is that it mucks up the pile. The Kawasaki has more breakout force, so the operator can load all the way up the pile and he gets a bigger bucket full. Our 65-ton trucks take three bucket loads. So, when they're filled with the Kawasaki loader, it's going to have

65 tons on it. When he sends up a truck with the 990, it's going to have 55 tons on it. We're not going to mess around with a portion of a bucket. ***Over the course of a day, the difference in tons moved is, of course, significant.***"

A GOOD FIT

The Kawasaki loader, complemented by the Euclid trucks, has been a good fit. "Although we're still in warranty, the only repair that we've had was the cab air conditioning, and both Kawasaki and our servicing dealer, Shafer Equipment, were quick to remedy the problem...which we take as a good omen for the future," notes Knight. "Although our product is in demand and the market future is positive, there are constant pressures on our pricing, which means that we must be economical in our mining and processing."

Premier Chemicals is serviced by Shafer Equipment, Sparks, Nevada.



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LIFE IN THE FAST LANE



The Cunningham Sand and Gravel company shares 500 acres with Capitol Raceway, a drag race-track. The company operates a mix of ZIV-2, ZV, and ZV-2s.



Traveling the country to gather stories for FOCUS, we meet a lot of interesting people, many of whom are as passionate about their hobbies as they are about their business. But in a construction world that is brimming with colorful characters, 72-year old Jim Cunningham from Crofton, Maryland, may well take the prize as being one of the most unusual. Not only has he deliberately *downsized* his 36-year-old sand and gravel business (at least for the moment), he drives his own bright red Mustang in the NHRA (National Hot Rod Association) drag-racing circuit. Nothing like hitting 204 miles per hour in a quarter-mile stretch to keep a guy young! He also owns and operates Capitol Raceway, a drag-racing track. In fact, the Raceway office and the office for Cunningham Sand and Gravel are in the same building, with the combined operations covering 500 acres.

SWEET SPOT

Crofton is located in a prime area of Maryland — nestled between Washington, D.C., Baltimore, and Annapolis. In July 2007, *Money* magazine listed it as one of the best 100 smaller places to live in the United States, ranking it number 72 in the best combination of economic opportunity, good schools, safe streets, things to do, and a real sense of community. So, as it turns out, Cunningham Sand and Gravel is perfectly situated to feed a number of growing communities within a hundred-mile radius.

Jim started his business in 1972. Initially he did both asphalt and sand and gravel. “I used to have hundreds of people working for me,” he recalls. “We did bridges and all kinds of construction jobs. You made all this money but at the end of the year you had to borrow to pay the bills. And the asphalt side would suck money away like water plus it was hard



Jim Cunningham stands by a photo which shows him drag-racing his own red Mustang.

to find good workers. I had 48 dump trucks at one time. Every day something different would go wrong.”

So, six years ago, Jim finally got out of asphalt with no regrets. And he’s downsized his company till he felt comfortable balancing payroll, profit, and expenses. He has no delivery trucks, no salesmen. Most of his customers right now are commercial, but he’s hopeful the housing market will bounce back next year.

MR. HANDS-ON

As might be expected from someone who races his own car and drives all over the country for the 24-race season, Jim loves operating all kinds of equipment. Before he had his own company, he was in fact an equipment operator. He has a soft spot for motor graders, as he ran one for 12 years. Even today, if his company is an operator short, he’ll gladly run equipment, whether it’s a bull dozer or a wheel loader.

“I can’t believe the improvements made in equipment over the last 20 years,” says Cunningham. “Years ago, you had to sit out in the sun, and winter time you’d about freeze to death. Now they have cabs, heaters, air conditioners. It’s like riding in

a car. Take our Kawasaki 95ZV-2 loaders — I’m tickled to death with them.”

THE KAWASAKI ANGLE

The company’s first Kawasaki was a used 85ZIV. Although it is long gone, today they have a mix of ZIV-2s, ZVs, and ZV-2s: one 85, one 90, and three 95s. Their oldest 95 has 17,230 hours on it.

“We’ve had pretty good luck with our Kawasakis,” states Cunningham. “They’ve been real good. We’ve not had much problem with them and the few times we have, we’ve gotten it straightened out. We like them, and the people we get them from — Elliott & Frantz — are pretty nice people. And my guys like the loaders. You get a real good day’s work out of them. The newer ones are really nice — like sitting at home on the couch, you know.

“We have our own maintenance shop and are careful to follow the recommended intervals. And each operator is assigned his own machine. They take a lot of pride in their piece of equipment. For example, one of our 95s is two or three years old, but it looks brand new. The operator takes real good care of it. When he’s not loading a truck, he’s greasing it or wiping it down. One day he was out sick and someone took it through a mud puddle and didn’t clean it up. The next day he came back and raised hell over it.”

THE FUTURE

Although it might seem like Cunningham’s sand and gravel business is in the slow lane with all the downsizing, it’s not. He has a few plans up his sleeve. Cunningham also owns a lot of acreage with excellent materials that has yet to be developed — a legacy he hopes his family members will take advantage of one day. “I’ve got family members on my team — both at the racetrack and the pit: two daughters, my granddaughter, my brother-in-law, and his wife. I can go away for two weeks and not worry about anything. My family will take care of things.”

Cunningham Sand and Gravel is serviced by Elliott & Frantz, Jessup, Maryland.

“ We’ve had pretty good luck with our Kawasakis. They’ve been real good. ”

– Jim Cunningham, Cunningham Sand and Gravel

GOING GREEN WITH WHEEL LOADERS

All over the United States, going “green” is gaining momentum. So perhaps it’s not surprising that one of the fastest-growing applications for wheel loaders is recycling.



Bates Trucking delivers food waste to Chesterfield Farm's receiving area.



A Backhus turns the windrows. In 60-75 days the compost is ready for screening.



Compost and other materials are screened and blended.

CAPITOL IDEA

Chesterfield Farms Organic Recycling Facility is located in Crofton, Maryland, which is situated between Washington, D.C., Baltimore, and Annapolis. As a company that makes compost, topsoils, and other blended media, they rely heavily on their Kawasaki 70ZV-2 loader. Its tasks include feeding incoming materials into a horizontal grinder, blending and then building the compost windrows, tidying the windrows area, feeding the decomposed compost through a screener, creating special blends of media, and loading out trucks. Servicing the bulk commercial market, Chesterfield Farms' clientele includes landscapers, developers, contractors, architects, nurseries, municipalities, and farms.

"We're the only facility in Maryland that takes in food waste," explains Alan Boehm, Owner. "We don't have our own trucks but Bates Trucking has really stepped up to the plate. They have invested in special trucks just for food waste recycling and they are picking up from places like Whole Foods, hospitals, florist shops, assisted living facilities, schools, hotels, and the U.S. House of Representative's cafeteria."

Fittingly enough, some of Boehm's organic recycled material from D.C. has headed back there; it is being used on the grounds of the Pentagon's new 9/11 Memorial for the trees and other plantings.

FINDING THE RIGHT BLEND

The compost Chesterfield Farms makes is a mixture of food waste and yard waste. The yard waste comes from small contractors and counties.

"When we opened the doors in 2004, we were strictly yard-waste based," says Boehm. "But in reading various publications, I realized there was a trend toward food-based compost for use on farms. That really peaked my interest as I was born and raised on a farm on Chesterfield Road. So we decided what kind of products we would sell, then we figured out the way we needed to do the actual composting process."

ENTERING THE MARKET

Boehm has been interested in recycling for years. He was in excavation back in the late 1980s and saw the need to handle wood waste. But because of zoning issues, the business climate, the lack of market demand, and the state of technology back then, he opted not to pursue it into the 1990s. But over the next decade or so, all those negatives started turning around. Then he found and purchased an old wood-waste facility, and spent a year and a half cleaning it up and refurbishing it to meet his needs.



Alan Boehm, owner, holding a handful of compost made from food and yard wastes.

"We bought a used Kawasaki 90 from Elliott & Frantz when we started cleanup," says Boehm. "We needed the big size to shift material back and forth all over the grounds. In two years, we put about 5000 hours on it. We basically had no problems with it — it was a great machine. We bought our 70ZV-2 because we realized the 90 was way too big for the screener plants and was a better fit for our long-term goals."

Although composting itself has been around for millennia, doing it as a for-profit business in the U.S. is relatively new. Even though Boehm waited to make the plunge, he still has had to adapt on the fly. "When we started, I didn't want to be in the soils business. I wanted to do just compost. But I discovered the way to keep moving the compost was by blending it with other materials and selling it as soil." Today the company sells two grades of soil — high-end horticultural and a more ordinary topsoil. They also market growing media for green-roof applications and bio-retention purposes.

In addition to watching market trends, Boehm is keeping track of the rapidly changing and maturing technologies, hoping to shorten his typical composting turnaround of 60-75 days to 45-60 days. He's also hoping by year's end to produce all of his soils from 100 percent recycled products. Another goal is to reach zero waste at his current facility. At the moment, certain plastics, soiled cardboard, and oversized wood pieces cannot be used and must go into the landfill.

THE COMPOST PROCESS

When waste product is delivered, their Kawasaki wheel loader scoops it up and feeds it into a huge grinder. All the day's ground product is then blended by the loader to create the proper 30-to-1 carbon-to-nitrogen ratio. Additives such as bits of new sheet rock may be used to achieve the ideal PH level. Next, the blended materials are piled up by the loader into large windrows that are about seven feet tall by 15 feet wide. The composting process itself occurs naturally over time, with fungus and micro-organisms inherent in the organic material doing the work. Temperature and moisture content are monitored daily. Straw or water is added to balance the water content and when a windrow exceeds an internal temperature of 150 degrees, a large rotor in their Backhus turns the piles, which also helps regulate oxygen. Materials are routinely tested to ensure there are no contaminants and they meet the company's standards for quality and consistency. Once the compost process is complete, the loader or an excavator feeds the material through a screener. Then it can be blended into a variety of products for bulk sale.

LOOKING AHEAD

"If two more grocery chains came on board, even another composting facility couldn't keep up with the demand," says Boehm. As a result, he is making plans to expand his current facility as well as looking for one or two additional sites.

Chesterfield Farms Organic Recycling Facility is serviced by Elliott & Frantz, Jessup, Maryland.

As the Kawasaki Sales Person of the Year, the winner of the 2007 Bill Gibbs Award is...

Tom Richard, G.W. Van Keppel

“ We are very pleased to announce that Kawasaki has presented the coveted ‘Bill Gibbs’ award for outstanding salesmanship and commitment to Kawasaki to Tom Richard. ”

– Gary Bell, Vice-President, General Manager, Kawasaki

“We are very pleased to announce that Kawasaki has presented the coveted ‘Bill Gibbs’ award for outstanding salesmanship and commitment to Kawasaki to Tom Richard of G.W. Van Keppel in Arkansas,” announced Gary S. Bell, Vice President, General Manager, Kawasaki Construction Machinery. The award was presented to Tom at the recently held Kawasaki Sales Council Meeting in Las Vegas.

Tom is currently the General Manager — Arkansas for Van Keppel, a Kawasaki dealer in Arkansas and St. Louis. He has been with the company and its predecessor, Mitchell Machinery, for 12 years. Tom, however, didn’t start his career in equipment sales until relatively recently. His father had been in the quarry business and he grew up around heavy equipment. But initially he had youthful ambitions of becoming a lawyer. And in 1995, when G.W. Van Keppel advertised for a territory salesman after the purchase of Mitchell Machinery, Tom was owner of a furniture store. “I saw a better opportunity for myself and my family when the territory sales job came open,” said Tom. “They hired me and I worked the Arkansas territory till 2001

when they made me a Branch Manager. Several years later I became General Manager for Arkansas, responsible for the Little Rock and Van Buren stores.

“The award was a complete surprise to me,” continued Tom. “I am very honored. But I had a lot of help from the support staff, parts, and service. To be successful takes a total team effort.”

“Tom represents the characteristics that Kawasaki looks for in awarding the Bill Gibbs,” said Gary. “We don’t necessarily select the top volume salesman every year. Rather we select a salesman that exhibits professionalism and skill. Tom is not only professional but is committed to Kawasaki loaders. He believes in the product and our company philosophy of customer satisfaction. He is also committed to his customers and has built strong relationships that have paid off in consistent volume and market share. Tom is a great representative of Kawasaki and we are proud to present him with this recognition.”

Congratulations, Tom!

BACKGROUND ON THE 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 Sales Person of the Year.



(L to R) John Roseberry, National Accounts Manager, Kawasaki Construction Machinery; 2007 Bill Gibbs’ Award winner Tom Richard, The G.W. Van Keppel Company; Aaron Reicherts, Regional Sales Manager, Kawasaki Construction Machinery; Gary S. Bell, Vice President, General Manager, Kawasaki Construction Machinery.

FUEL ECONOMY TIPS:

CUMMINS ENGINES



Cummins engines are fully optimized to achieve the highest level of power productivity for Kawasaki wheel loaders. Even during the toughest duty cycles or most demanding applications, operators of Kawasaki wheel loaders can depend on their Cummins engine to provide the fast response time they need, while ensuring the lowest possible fuel consumption. While your Cummins engine is specifically calibrated for fuel-efficient operation, there are several simple operating and maintenance practices that you can undertake to further help reduce fuel consumption:

REDUCE IDLE TIME: Operators often have to wait for another truck to fill before moving the next load. This idle time is costly and can significantly affect the equipment's fuel economy. Therefore, avoid unnecessary idling and shut down the engine when it is not in operation. However, operators should allow the engine to idle for three minutes before shutting the engine off unless the turbo has a watercooled bearing housing.

LOWER RPM: Getting the most out of the engine means running it at lower and correct rpms. An easy way to slow down the rpms can be done through effective operator habits such as proper gear selection and use of the economy mode.

AVOID RESTRICTIONS: Loaders are constantly moving, and a loader that is overloaded will consume more fuel than one that is properly loaded. Running your engine at proper operating temperatures, as well as preventing engine intake restriction and exhaust restriction, stops the need for the engine to burn extra fuel to move loads. Excessive fuel supply or return-line restrictions will also reduce your fuel economy. Be cautious of fuel lines claiming to improve fuel economy, as many devices have been tested and found to have no positive effect.

ENGINE OIL: Exceeding the recommended engine oil levels can result in crankcase dipping and significant oil churning/spin losses. This can cause reduced engine efficiency, lower performance, and deterioration of lubrication and heat transfer. Higher-quality lubricants can minimize fuel economy losses. Synthetic oils, while more expensive, are less affected by temperature and are more fuel-efficient at lower ambient temperatures.

FAN OPERATION: A clogged or dirty radiator, faulty thermostatic switch, low coolant levels or other malfunctions can make your fan run longer, which can impact fuel economy.

Most important, ensure you are following the recommended daily equipment inspections of maintenance components and keep to scheduled service requirements. Well-maintained and properly tuned equipment will help ensure the lowest fuel consumption for your equipment and reduce your operating costs.

LOOKING AHEAD TO TIER 4: Fuel economy will become even more crucial as we look ahead to the introduction of Tier 4 Interim emissions in 2011 for the 174 to 751 hp powerband. While meeting these stringent emissions levels, Cummins recently announced that operators can expect to up to five-percent improvement in fuel efficiency at Tier 4 Interim for engines in this powerband, depending on rating and duty cycle.

For further advice and tips about achieving the best possible fuel efficiency, you are welcome to consult your local Kawasaki or Cummins dealer.

KAWASAKI KEEPS IT SIMPLE.



In a world of increasing demands, tighter deadlines, shrinking budgets and complicated contracts, the choice in wheel loaders is simple: Kawasaki.

A FULL-LINE OF RUGGED, RELIABLE, EFFICIENT MACHINES.

- 13 models
- 96 HP – 720 HP
- 1.8 cu. yd. – 13 cu. yd.

EASY TO OPERATE.

Increased efficiency and productivity come from innovative high-tech features that allow the operator to customize and adapt to the environment and the application...from the comfort of the redesigned cab.

- Adjustable Declutch
- ELS — Efficient Loading System
- Idle Management System
- Variable Boom Kickout
- Power Mode Switch
- Ride Control

EASY TO MAINTAIN.

Even basic servicing is easier than ever, with extended greasing and oil change intervals. Not to mention:

- MODM (Machine Operation Diagnostic Module) provides essential operations and diagnostic information in an easy-to-read LED display.
- K-LINK II monitors and transmits digitally the location, hours, system alarm sensors, engine and machine performance data.
- KLEW provides fast and easy access to a total oil analysis and early warning program.

EASY TO DO BUSINESS WITH.

No run-arounds. No layers and layers of management. No distractions from competing product lines. Wheel loaders are our only business. Got a question? We'll get you an answer. Need a part? It's on its way. Quickly.

- Creative Solutions, Fast Response.
- Focused Resources, Experienced Specialists.
- Flexible Warranty Programs
- Rebuild Center

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