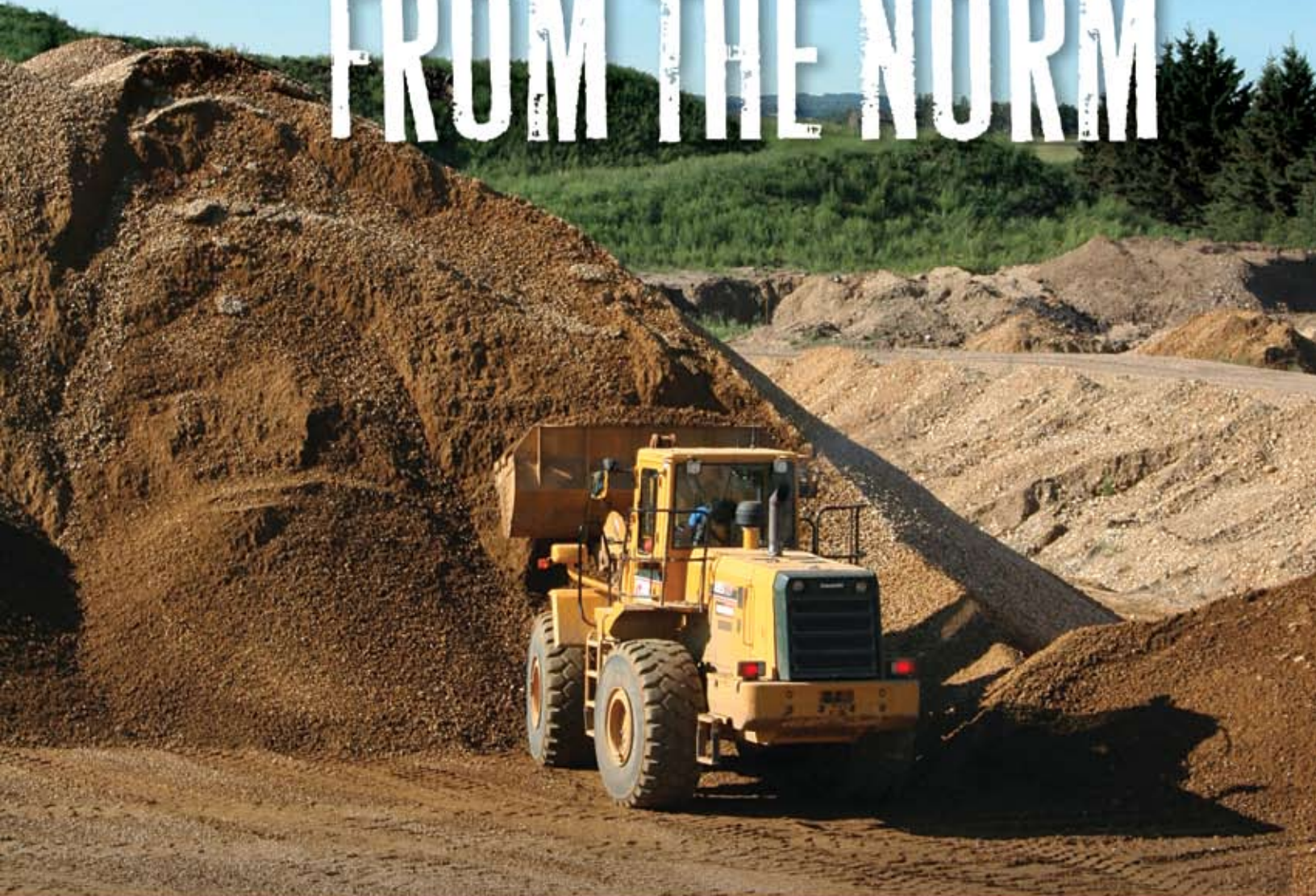




4TH ISSUE 2009

FOCUS

BREAKING AWAY FROM THE NORM



FT AGGREGATES • OETMAN EXCAVATING • I. BRANDL, INC.

KAWASAKI KEEPS IT SIMPLE.



Since 1962, Kawasaki has been listening to and learning from customers and dealers in the field. As a result, Kawasaki wheel loaders continue to evolve, with a constant focus on one thing — producing the most durable, most efficient, most dependable machines possible.

EASY TO OPERATE.

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.

EASY TO MAINTAIN.

Diagnostic and operational modules monitor fluids and filters, and constantly provide information on everything from engine and transmission codes to location, hours, alarm sensors and machine performance data.

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. Kawasaki offers flexible warranty programs, a state-of-the-art parts distribution system, an in-house rebuild center, and an experienced, knowledgeable support staff, focused on serving you.

The independent dealers that represent and support Kawasaki loaders are experts in their markets and are dedicated to providing you with the best service available.

Together, we are committed to making your investment in a Kawasaki loader a sound business decision that will pay dividends for years to come.

KAWASAKI. ONE FOCUS. COMPLETE SOLUTIONS.



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DIVERSIFICATION BY DESIGN

The last few years have been a challenge to many in our industry. As a means of maintaining, many have been driven to diversification or thinking outside of their current business plan. As the saying goes "It's all in the timing." And, Shane Smith, owner of FT Aggregates in New Norway, Alberta, knows all about timing. His is impeccable.

"I grew up crushing gravel, working shot rock as well as moving sand and gravel. My grandfather crushed gravel all his life. After I married, I moved to this area. We found a

farm and settled in. I was doing commercial painting at the time."

Smith always dreamed of having his own agg operation, but couldn't see how it could happen. It would take equity, lots of it, and he sure didn't have it. Keeping his dream alive, however, was the realization that the greater Edmonton market was running out of aggregate, and within ten years, his small community of New Norway could become the next great source for the region.

PLOTTING A COURSE

Realizing his farm and cows weren't going to provide enough equity, the first step Smith took was starting a snow-removal service.



This 65ZV-2 feeds rainbow rock to a crusher to begin the multi-step process of pulverizing the material fine enough to merit its name.



**“The simple fact is that the
Kawasaki loaders are balanced.”**

— Shane Smith, Owner, FT Aggregates



Bit by bit he procured equipment — skid steers, snow blowers, and a grader.

Next, he got into site work, using it as a way to break into the market. Not only did he make valuable connections all over the area, he started looking for suitable land to either buy or lease for future aggregate production.

After three or four years, he realized he was going through so much outsourced gravel that it was finally time to make his long-sought-after dream a reality. Selling his herd and much of his equipment, he invested in his first crushing spread.

“Now we don’t even do site work anymore,” says Smith. “The pits have just taken over. We have six open pits and we have a few more we’re just waiting to open.”

IN THE PITS

Just because Smith has fulfilled a dream doesn’t mean he can take it easy. Working aggregate in this territory has its challenges. Although the company doesn’t work with shot rock, the terrain does present its

own hurdles, ranging from extreme dust to extraordinarily abrasive glacier till rock. “We go through liners in our cones about every six weeks,” relates Smith. “We don’t even use teeth on our loader buckets; we use a straight edge. We even build our own bucket extensions because the material is so hard on the wear plates. And at our sand pit, you can’t hardly drive a wheeled anything on it. The artic trucks are fine, but wheel loaders were a real issue — until we discovered Kawasaki.

“We tried a few other brands, but ended up parking them. As soon as we’d load the bucket, all the weight would be in the front, so when we’d back away from the face, the front wheels would just drop in the sand and we’d have to use the bucket to push ourselves out. And we couldn’t fill the bucket. The tires would just spin and we’d rut. They just weren’t balanced.

“But the simple fact is that the Kawasaki loaders are balanced. They can do it; it isn’t a problem. The first one we bought was an 80ZV-2 that we had demo’ed, and decided to do a lease purchase.”



It takes multiple trips through the crusher before rainbow rock comes alive with light and reveals its beautiful colors.

SIMPLE IS GOOD

“They are simple,” says Smith about his Kawasakis. “I don’t buy a loader for a bunch of fancy gadgetry. You can put anybody in them, and they are comfortable and can get right to work. We need them heavy and we need them balanced. The Kawasaki loaders ideally fit what we are doing.”

Two other aspects Smith appreciates about his Kawasakis are the Fuel Efficient

Mode switch which lets the operator select whether he needs extra power or not, and the Efficient Loading System (ELS) switch. When it's activated from the cab, it increases rimpull power when digging while using less fuel, increasing productivity while holding down fuel usage.

After the 80, the company bought several larger ZV-2s to decrease cycle times and increase efficiency. The four Kawasaki units are scattered among several pits, including a 65 at a neighboring wash plant. "Right now we are working at full capacity so we have to watch our expenses and efficiencies," says Smith. "We've gone from a primary crushing spread to a tertiary so we can do custom blending. Our tonnage per hour has doubled. We have decent amounts in inventory so we can be wide open in production and plan accordingly. We'll move 300-400 hundred thousand tonnes of product a year, and there are only 11 of us. That's a tremendous testament to our guys' commitment to the company. They are awesome."

OVER THE RAINBOW

At the moment, about ten percent of FT Aggregates's business is municipal. The company is hoping to increase that, as municipalities do graveling in the winter while construction, which provides about 85 percent of their gross revenue, peaks for just three months out of the year — August to October.

Another market they are moving into is decorative landscaping. One hot product is called "rainbow rock," and it's not easy to find. When crushed, it sparkles, revealing bright and beautiful pinks and golds due to large amounts of petrified wood. Not only is it used in landscapes, but manufacturers of countertops and tile like it too. There's



The well-balanced aspect of the Kawasaki loader, coupled with careful pad maintenance, eliminates rutting. Despite the abrasive nature of the material, the loader backdrams without resistance.



Shane Smith, Owner, FT Aggregates.

just one other supplier in Alberta, and they are confident they'll be able to move the product not only in Alberta but other provinces as well.

STILL GROWING

Rather than wait for companies to find them, Smith and his marketing guru Brad Enarson

work proactively to choose their customers. With about 40 products in their portfolio, ranging from decorative to granular base coarse materials, FT Aggregates certainly isn't finished growing yet. They know there's always room for improvement. By studying the way different companies and countries conduct the aggregate business, and keeping the lines of communications open with their end customers, the company is fluid and keeps their quality control high.

"You have to be careful where you put your energies. I'm extremely protective of my guys and their work environment. A company is only as good as its people, and thanks to them, what we accomplish is tremendous.

"I've worked many years in site work, just lining up customers and building relationships before we actually started producing anything. This has been a multi-year plan — and we're not finished yet!"

FT Aggregates is serviced by Hammer Equipment, a Division of Rocky Mountain Dealerships Inc., Edmonton, Alberta.



TRUST

IT'S ABOUT



Oetman's 90ZV-2 is outfitted with a bucket and 72-inch forks. The company takes jobs within a 3- to 4-hour, 250-mile radius, and typically works about 30 to 40 sites a year.

About 25 miles east of Lake Michigan is the small town of Wayland, Michigan. Home to farmers and other hard-working people, it's where time-honored American values like faith, honor, and trust still run deep. It's where school-yard buddies often end up in business together, and a sense of community spirit and watching out for your neighbor are givens.

So it's not surprising to find out that Steve Oetman of Oetman Excavating sponsors 4-H, # 37/Terry Sennecker at Kalamazoo Speedway, Men's Fast-Pitch softball through the Michigan Amateur Softball Association, and is a member of the local Chamber of Commerce. From his perspective, being involved with area communities is just as important as satisfying his customers with a job well done.

FRESH FROM THE FARM

Oetman's success was a long time coming and he doesn't take it for granted.

"I started in 1988 with one bulldozer. I had 800-dollars' worth of work lined up and I stepped out on faith. I ran two years without any employees, just me. Today, I have

several pieces of equipment and about 20 people. We used to have 30 to 40, but the slow economy has hit us. Initially I did all residential, but about ten years ago I got into commercial. My specialty is site development, and schools in particular have been great for me.

"I have good people that work for me and I have good customers. When you surround yourself with good people, it allows you to do what you do best."

Wayland, Michigan, doesn't have a big pool of construction workers from which to draw, so Oetman trains his own — and that's just fine with him. "A lot of my guys come from a farming background. In fact, I farm too. So I take time with them. I teach them on the job what I want done and how I want it done. Some of these guys are very close to me now. I'm blessed that way."

SIMPLE IS BETTER

When it comes to equipment, Oetman has a "simple" perspective. "I'm a simple guy. And I want to run something simple. I don't need all of those gadgets to go wrong. And I don't want to pay \$20,000 more for gadgets — or have to maintain them. And that was my big attraction to the Kawasaki loader. We have lots of other brands we still use, but our Kawasaki 90ZV-2 is our workhorse. If my operators could choose, that's the one they'd sit in and operate all day long."

In addition to simplicity, Oetman chose his Kawasaki for other reasons, too. One, he trusted the recommendation of a good friend who'd gone to work for the local Kawasaki dealer, Grand Equipment. He told him the quality was second to none. Next, he talked to three different companies in the Chicago area who ran Kawasaki. All three gave positive endorsements. Then, unlike some other area dealers, Grand Equipment had no hesitation in bringing out a demo unit for them to try for a few days. And finally, he really liked the way it ran, especially the auto transmission. And so the Kawasaki joined their fleet.



Steve Oetman, Owner, Oetman Excavating, and Troy Koetje, Sales Rep, Grand Equipment

Jeff Ensing, his site foreman at a school parking lot project they are currently working on, is in and out of the various loaders all the time. It's clear the 90ZV-2 is his favorite.

"I really like the Kawasaki. It is quite smooth and definitely faster than the other loaders. It has more power too. Compared to the Cat 972G you can really tell the difference in fuel. Since this is a big site, we do a lot of running back and forth, and using the Fuel Efficient Mode on the 90 saves us a lot. At the end of the day, we're hunting for fuel for the Cat, but we've got a quarter of a tank left on the Kawasaki. I like that automatic too. It shifts a lot smoother than the others."

TRUST

"Trust is a real issue," concludes Oetman. "You've got to trust the people you work with." And that holds true whether you're talking about your crew — or your heavy equipment dealership. "Grand Equipment is great at support. Equipment is so hard to keep. If you're not going to service or support what you sell, you might as well not sell. That's definitely not a problem with Grand."

From Grand Equipment's perspective, they wouldn't have it any other way. Support is everything.

"My brother and I started with just four pieces of equipment," explains Jeff Grasman, President, Grand Equipment. "I'd been a mechanic, then an office manager over two

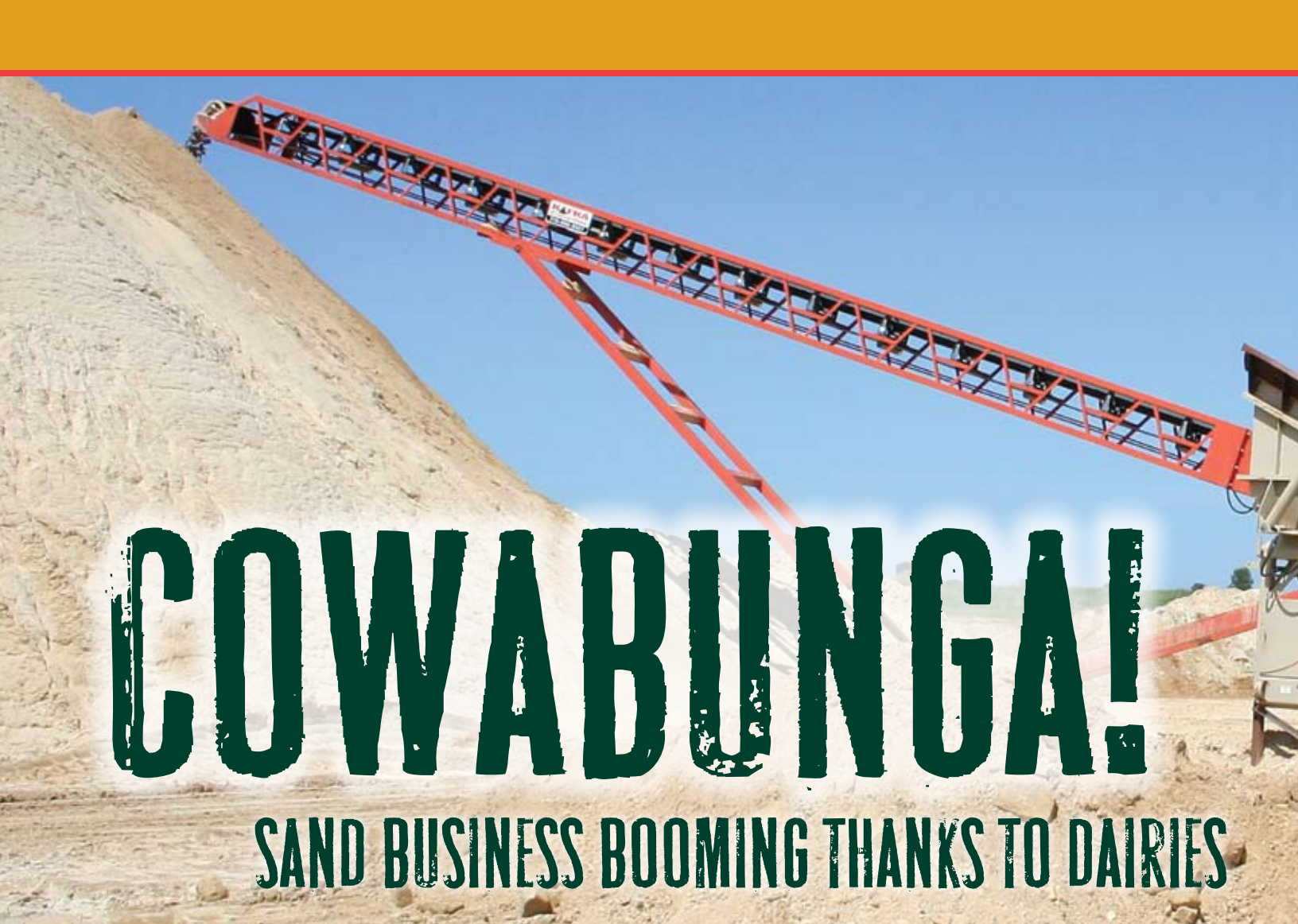
equipment rental stores, then my brother and I struck out on our own. I had to learn in a hurry. We grew through our service department. And I don't mean just fixing things. I mean being there when that call comes at 2 in the morning. We get out of bed and do what we need to do."



Site development for schools provides a lot of business for Oetman Excavating. The company isn't necessarily the low bidder on the jobs they win. Being local and doing satisfactory work previously for the district has made the difference.

"Contractors know who was with them when things were down," adds Troy Koetje, Oetman's sales rep at Grand Equipment. "We have six Peterbilt service trucks and can be anywhere in the state in 90 minutes. Contractors need local suppliers who are going to work for them. That's what makes the difference."

Oetman Excavating is serviced by Grand Equipment, Hudsonville, Michigan.



COWABUNGA!

SAND BUSINESS BOOMING THANKS TO DAIRIES

In the dairy business, cow comfort is king. When a cow is comfortable, milk production rises. And when cows lie down on the job, so to speak, the more the blood flows to the mammary glands and the more milk they produce — up to 25 percent more, in fact. So it's important to provide a comfortable bedding surface. And it turns out that sand not only appeals to cows, but also to farmers, since it doesn't harbor harmful bacteria that can end up on the teats, unlike straw, sawdust, or shavings. Sand also provides better traction for the cow, reduces hock and knee injuries, and promotes uniform hoof wear.

But just not any kind of sand will do. Studies have been made as to which kinds of sand the cows prefer, based on particle size. However, according to Guy Brandl, president of I. Brandl, Inc., in Marshfield, Wisconsin,

color is important too. "The farmers tell me the whiter and softer the sand, the more milk they produce. If we get too far into brown sand, they'll let us know. I've got about 50 farmers I take care of."

Just how did he get started in the dairy-sand business? "About 16 years ago, a farmer in a nearby community saw our sand in a volleyball court. He'd been reading about the whiter, softer sand and decided to give it a try. He told another farmer, and another, and so on since they talk amongst themselves.

"Not too long ago I had a dairy conglomerate come in. They had 470 head of cattle but expected to get up to 9,000 within two years. They asked if I was interested in supplying them with sand, but I said no. I've got my own farmers that I take care of. I've got one that takes about 8 to 9 loads of sand a week.

Another company takes over 250 cubic yards of sand a week. Although milk prices have been down, they are hanging in there."

SECOND-GENERATION OWNER, THRIVING BUSINESS

Known locally as iBi, Brandl's company was started by his dad in 1929. And ever since it first opened, he says they've never had a bad year. They specialize in sand, gravel, fill rock, landscaping materials (such as decorative rock, top soil, and shredded bark), and excavation work — primarily basements and garages. Of their four pits, Eisenhower is their primary sand pit and is where their newest Kawasaki, a 90ZV-2, works. In all, iBi owns four Kawasaki wheel loaders, which are used at their pits and main yard.

Brandl's 90ZV-2 is running the local dairy farmers' favorite sand through a Kolberg 241 screener. At the Eisenhower pit, the sand is found in veins. Sometimes it is on the surface, other times it has to be dug out from under clay.



Selling to both contractors and the general public makes for a very full day, multiplied by six times a week. "Sometimes I come down the road to our office and there are 14-20 people waiting to pick up," says Brandl. "We have our own delivery trucks but sometimes we have to hire extra to meet the demand." The company services areas up to 65 miles away. Ninety percent of the outgoing loads return with a variety of materials, usually sand or rock, which helps hold down costs.

For many years, the company was known for its basement excavations — often at 100 or more a year. Then garages were the hot item. This year it's dairy sand and decorative boulders. For a company as swamped as iBi, thanks to its diversity of products and services, the thought of expansion has certainly crossed Brandl's mind. But it's not taken up permanent residence.



Guy Brandl, Owner, I. Brandl, Inc.



The 65ZV can be found at iBi's Bakerville Pit and is used primarily for concrete and asphalt recycling. However, occasionally, sand is hauled out of the pit as well.

"We are into so many different areas. We do public and commercial. But we never go for really big jobs. I'm 69 years old and really don't want to grow. I've got 12 employees, including my daughter and son-in-law, and I want to keep it at that. Most of them have been with me for over 20 years. We used to lay them all off during the winter, but now with the dairies, we keep most of them all year. It's nice to be able to let good workers work."

WHY KAWASAKI?

"We've had really good luck with Kawasaki," says Brandl. "That's why we've stuck with them. They are very good. We've got one at about 8,000 hours — no trouble at all. We did look at others. John Oberthaler, our rep at American State, brought one out years



Research and practical experience show cows prefer bedding on sand. Regular filling and maintenance is crucial. Levels should not be allowed to fall below the level of the curb, so dairymen who use sand are regulars at iBi.

ago so we could demo it. We really liked it. We've owned quite a few through the years and we've been happy with all of them.

"All of our drivers run the loaders, plus we've got one guy who is on the 90 full-time. Even our office manager will jump on the loader if

we need her to help out here in the yard. I run them all myself too. I know Kawasaki has made improvements over the years, but I like them all about the same."

I. Brandl, Inc. is serviced by American State, Wausau, Wisconsin.

INTER-EQUIPMENT

TUNISIA

MEDIBAT 2009, the Mediterranean Building Exhibition, celebrated its 10th year as one of the largest exhibitions of construction equipment in Tunisia. Held in the International Fair of Sfax, Tunisia, from March 4 – 7, the exhibition was well attended in spite of the international economic condition.

Tunisia, a country located in North Africa facing the Mediterranean Sea, is 165,000 km² with an estimated population of 10.3 million. Tunisia consistently ranks at the top among Arab and African nations in reports released by The World Economic Forum.

INTER-EQUIPMENT, the Kawasaki distributor in Tunisia, exhibited several construction-related products including Kawasaki 85ZIV-2 and 90ZIV-2 wheel loaders. The exhibit was well attended, with several requests for quotes, resulting in a high percentage of sales.

INTER-EQUIPMENT began selling Kawasaki wheel loaders in 1991. For nearly 20 years they have maintained around 20-percent market share in Tunisia. Having weathered a tough economic recession with exchange rates seeing reductions as high as 32 percent, INTER-EQUIPMENT is now back on track and again ordering machines in excess of 20 units at a time.

With customers dominant in the phosphate industry providing a solid base, INTER-EQUIPMENT is showing success in the brick industry. The expansion into this new market is due to their experienced sales force, and their strong service and support personnel.

INTER-EQUIPMENT
80 AVENUE DE CARTHAGE, TUNIS, TUNISIA
TEL: +216-71-330-977
FAX: +216-71-338-375



Tunis, the capital of Tunisia.



This 90ZIV-2 was on display along with several other products.



All the Ministers of North African countries were present.



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.
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