

2016 SECOND ISSUE

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Kawasaki
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MULTI-TASKING LOADERS ROCK!

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- TIME TESTED – 25 YEAR OLD, 126,000 HOUR 90ZII — ARAUCO
- KCM CORPORATION GONE GLOBAL
- REMEMBERING THEIR ROOTS — YARDWORKS TENNESSEE, INC.
- 2015 SALESMAN OF THE YEAR



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KCM

A HERITAGE OF INNOVATION

KCM is the most experienced manufacturer of articulated wheel loaders in the world. Since introducing our first models in 1962, we have maintained a leadership position in technology, service, and support. With a heritage grounded in innovation through Kawasaki Heavy Industries, KCM Corporation's focus on wheel loaders translates into real benefits for you and your business.

Kawasaki-KCM articulated wheel loaders incorporate innovative design features coupled with extensive knowledge and experience gained from real-world applications. Since 1978 KCM has been listening to, and learning from, customers and dealers in the North American market. As a result, Kawasaki-KCM wheel loaders continue to evolve with a constant focus on one thing – producing the most durable, most efficient, most dependable wheel loaders possible.

YOUR WHEEL LOADER SPECIALISTS

KCM offers a full range of wheel loaders to handle virtually any task. Combined with a complete selection of attachments, or special options packages, your Kawasaki-KCM wheel loader can be equipped to tackle the most demanding applications or environments.

- 17 Models
- 45 HP – 720 HP
- .78 cu. yd.– 13 cu. yd.



9527 XTREME

9527 XTreme

- 7.3 - 9.8 cu. yd. Bucket
- Short Boom Arm Configuration
- Front Chassis Enhanced and Reinforced
- Bucket Cylinder Increase
- Bucket Linkage Enhanced
- Increased Breakout Force by over 26%!
- Increased Tipping Load by over 10%!



11527 XTREME

The 11527 XTreme is ideal for two-pass load out operations, Coil Handling, Block Handling, Logging

- 8.3 - 9.15 cu. yd. Bucket
- Short Boom Arm Configuration
- Front Chassis Enhanced and Reinforced
- Bucket Cylinder Increase
- Bucket Linkage Enhanced
- Increased Breakout Force by over 6%!
- Increased Tipping Load by over 15%!

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TIME TESTED

25 YEARS OLD, 126,000 HOURS

In 1991, a single wheel loader went to work at a brand new plant located in the woods of South Carolina, constructed to manufacture Medium Density Fiberboard (MDF). At that time the plant manager determined the need for a maintenance manager. Working with a local equipment supplier, he selected one of their mechanics to work for Arauco as a freelance maintenance manager for all of the plant's rolling stock. Twenty-five years later, that mechanic, David Merchant, is still at work keeping the equipment in fine shape, still vendor-supplied, and not surprisingly, that now 25-year old 902III loader is still strong and productive.

ARAUCO LOADERS AT WORK 24/7

"When the plant was built, it was originally owned by Willamette Industries and it was a paper mill, particleboard and MDF operation, with their own chipping operation. The design called for the MDF plant to receive blown material on a continual basis into various piles, depending on what the material was. A single loader then stood at the ready to charge a receiving hopper with varying quantities of certain materials, depending on the type of board we're set to make during the shift," says Mike Henry, Plant Manager.

Bottom line, a single loader is either idling in stand-by with an operator in the cab, or its actively loading or segregating material through two shifts a day, every day of the week. As the years started to add up on that original wheel loader, a second was brought in to work as a back up. It was a Kawasaki 90Z7 with the same specs, standard in every way with the exception of a 7.5 cu. yd. roll-up bucket and in-cab scales. The work is not especially demanding; it's just constant.

"The reliability of the Kawasaki-KCM loaders has always been spot-on," notes Henry. "The operational guys notify me if there is a problem, but that is certainly not often. And, the KCM parts and service support, along with our local dealer, has been great. But honestly, a lot of the credit goes to David's skill in maintaining our entire rolling stock fleet."

Says Merchant, "When I was hired, the Plant Manager at the time advised me that whenever a part needed to be replaced, buy two and put one in stock. So, we typically have a part on the shelf, and we replace before failure. There are different philosophies about taking care of equipment and the management here has always taken the position of making good equipment last a long time."



"Good maintenance practices from Arauco have allowed me to fix things before bad things happen," says David Merchant. "Product support from KCM has been very good."



"I service the equipment twice a month with fresh engine oil, clean filters and an overall check-over. It might be overkill, but you have, ahem, to look at the records. On this oldest loader, I've replaced the engine twice, before failure, and I replace the hydraulic pumps around every 2,000 hours. I know that some would go longer before it self destructs and sprays metal parts throughout the system, but the cost of a pump compared to the labor and downtime of cleaning out the whole system, well, there's no comparison. I've never replaced the transmission. 'Just changed the bucket bushings and repacked the cylinders 4 times."

This year, the plant decided to trade their oldest with the newest technology, a 90Z7 Tier 4 final model. Same specifications. "Someone is going to get a fantastic machine for the money," notes Merchant. "It runs remarkably well for the hours. But, we're all excited about learning and being around the newest. For one, how the Auto Idle shutdown works in our operation will be very interesting!"

A HIGH QUALITY PRODUCT

"We especially make a very highly refined fiber product, which we've branded Tru-Plan High Plus, that is specifically designed for computer-driven forming and cutting machines. These machines are for high production manufacturing of furniture and cabinets or any other similar product that requires heavy routing," says Henry. "For this product, we run 60% straight green pine chip and 40% dry pine shavings. We also make other products that are less critical in their application, whether they are covered up or used in doors. Our products are well known for meeting exacting specifications."

Arauco has multiple plants in North America making similar products as well as throughout the world. They sell through wholesale millwork distributors, which in turn, provide Arauco products to the largest furniture manufacturers as well as local custom shops where they make counters, cabinets and other built-in furniture for primarily commercial and institutional applications. The hotel or doctor's office counter you rest your hands on, probably started as an MDF panel.

Serviced by May Heavy Equipment, Columbia, SC

Arauco North America: Sustainable Forest Product Manufacturer



The Arauco crew standing along side the new 90Z7 T4F a new standard in production class wheel loaders.

Arauco is globally based in Santiago, Chile and was established 47 years ago to produce and manage renewable forest resources. Since its start, the company has maximized the value of its forest plantations and the products bought for processing by engineering multiple manufactured products that used nearly every part of the tree, from plywood, particleboard products to MDF panels and premium, formed molding. The company maintains 30 production facilities in Chile, Argentina, Uruguay, the United States, and Canada and has a sales presence in over 80 countries.

GONE GLOBAL



Mick Mikami, President KCMA, located in Kennesaw, Georgia, will have a very active role on the Global Planning and Marketing Wheel Loader Task Force.

KCM Corporation, the newly formed wheel loader subsidiary of Hitachi Construction Machinery (HCM) has gone global. You may have come to know KCM through the years as Kawasaki Wheel Loaders, Inc., or Kawasaki Construction Machinery Corp. of America, or KCMA Corporation. The same company that has manufactured “Kawasaki Wheel Loaders” for the North American Market for over 35 years!

Hitachi Construction Machinery is one of the largest manufacturers of construction equipment in the world. Well known for their world class leading Hitachi excavators, shovels, and rigid frame haulers, HCM acquired KCM through a joint venture buyout from Kawasaki Heavy Industries (KHI) in 2015. KCM has now become a true global player in the wheel loader market!

All of the assets the Wheel Loader division of Hitachi owned, and all of the assets KCM owns are now under KCM. This includes all of the Engineering, the entire wheel loader Parts and Support group, and the Ryugasaki manufacturing facility. The addition of the Ryugasaki manufacturing facility effectively doubles the production capabilities of KCM, and brings KCM to 1,300 members strong, all devoted to the global wheel loader market.

HCM will be aggressively investing in KCM's wheel loader business to build market acceptance worldwide. Evidence of this is the Planning and Engineering department's development of the stage 5 wheel loader design, already in full swing. In addition, a special corporate Wheel Loader Task Force has been formed to develop aggressive marketing and support programs for global markets. Consisting of a team

*Ryugasaki, Japan joins Banshu,
Japan and Newnan, Georgia, as a
KCM manufacturing facility*



of dedicated marketing professionals located in Tokyo, Japan, as well as individuals throughout key markets, KCM North America will be represented by Mick Mikami, President.

KCM North America, located near Atlanta Georgia, is the subsidiary of KCM that markets the Kawasaki-KCM brand loaders in North America. With over 60 independent dealers, over 35 years of experience in the North American wheel loader market, and thousands of Kawasaki loaders in this market, KCM has a solid foundation to build on.

Previously known as Kawasaki wheel loaders, the current Z7 series is branded Kawasaki-KCM loaders, and offers 16 loaders ranging from .78 to 13 cubic yards. In the past 35 years serving the North American market these machines have been used in a wide range of applications. While performing very well in mainstream applications such as site building, material

production, quarries and for general contractors, the loaders are proficient at handling special applications such as hot slag, dairy & agriculture, logging and lumber, pipe handling and waste & recycling.

KCM is known for their expertise in the wheel loader industry, outstanding support systems and for their responsiveness, flexibility and ease of doing business. Kawasaki-KCM dealers are focused on providing outstanding products and support to their local markets.

Hitachi Construction Machinery is committed to establishing KCM as a major wheel loader supplier throughout the world. North America offers one of the largest wheel loader markets and is a critical part of this global effort. KCM is dedicated to the future growth of the company.



REMEMBERING THEIR ROOTS, YARDWORKS

Yardworks has become the largest mulch provider for the Memphis, Tennessee area by both hard work and retail smarts. By retail smarts, Bill Wardlaw, owner of Yardworks, Tennessee, Inc., has focused especially on what a niche of customers wants and then built on meeting their needs at the price they are willing to pay.

"I started cutting lawns as a part time job going to school, just like a million other guys in their teens and 20's, and people kept asking me about mulch. I started buying more and more mulch for the lawn-mowing customers that I had. I was ultimately introduced to a man in the area who had a big mulch business and I started buying so much mulch from him that he said, 'you ought to open your own yard on the other side of town and I'll supply you.'

But, unfortunately for his first supplier, it didn't work out so well. It could have, but his supplier resented the competition. "I kept buying more and more mulch from the guy and he said I was cutting into his business," says Wardlaw. "He said I was too aggressive." His supplier upped the cost and said he was going to put Yardworks out of business.

Wardlaw rose to the challenge. He bought his own grinder and started providing his own mulch by buying brush and handling the grinding on his own.. "In 1991, I bought my first grinder then the land that we're on now in 1995. But during that time, I continued my lawn mowing business and worked at the FEDEX distribution center in Memphis at night to pay the bills.



“With my first supplier of mulch, I sold the material cheap enough, with a low markup, that I was able to really establish a market. And I treated my customers right. I really worked to give them first class service. The business did start to snowball. As the business grew, I worked to figure out how I could continue the pace. As I built up the yard I sold the grass cutting business and concentrated on selling wholesale.

The company bought a new Morbark 1300 Grinder and some used wheel loaders to charge the grinder and load the company's first used walking floor trailer. They also bought a tractor and a used dump truck to make deliveries to large wholesale mulch landscapers.

Bill Wardlaw left, with his son Chad Wardlaw, Manager of the colored mulch operation, right.

(TOP) Yardworks' new 70TM parallel lift loader loads a 13' 6" walking floor bulk trailer with colored mulch.

Yardworks' first Kawasaki-KCM loader, a 65ZV2, loading a landscaper's trailer.



"My goal was to buy a piece of equipment with cash or if I borrowed, pay it off before I bought another," notes Wardlaw. The company grew. "I bought a few new wheel loaders, notably Volvo, because of deals and financing. I bought a variety of model sizes from their larger L110 loader to the smaller L70 model and then, with my newest model, I heard of problems with their tier 4 design."

Yardworks, of course, is in the business of grinding and moving dusty wood products with high dust content.

Says Eric Hinshaw, VP, HMI, the Kawasaki-KCM dealer for Tennessee, "I've been working with Bill for 20 years. I used to also be in the grinding business and I admire his success."

"Ten years ago, I moved to selling equipment and three years ago, I put together a package for Bill that included multiple Diamond Z grinders, Kawasaki-KCM loaders, a Linkbelt excavator and multiple screens. My goal was to put together a financed package that let Bill grow with the best equipment I thought would work for him, with the best financing possible."

"Bill went from a mix of 3 loader sizes to two, with a focus on the 70 and 90 loaders, with the exception of a 70 Taskmaster for retail. The 70 loaders are used for nearly everything. The 70 Taskmaster is used with both forks and bucket to load customer trucks and trailers with landscape rock and bulk colored mulch bags."

CUSTOMER CONCERN KEY

"Providing double hammered mulch is pretty straight forward," notes Wardlaw. "Creating customers who buy more and more, is more of a challenge."

When Wardlaw was starting up in the landscaping business, he'd often get a load in the evening and bring it home, parking it in his garage or covering it, with his wife's help. This prompted him to help his own landscaper customers. "Now, we have a separate building on our yard that we rent out with



Kawasaki-KCM 90ZV loader charging the hopper of a Diamond Z1463B Grinder.

separate bays where the landscaper can leave their truck or trailer overnight or in inclement weather. They basically work out of our place and are our customer."

"We are very aggressive in our deliveries of material and achieve quite a following by delivering small loads of bulk material to the jobsite. In addition to pure mulch, we've also branched into a variety of top soil mixes, and landscape rock" says Wardlaw.

The company has developed a wholesale clientele that spans a 200-mile radius of Memphis with a host of semi-wholesale landscapers in the general Memphis area who gladly order mulch by the truck load to be dumped near their commercial worksite.

I REALLY LIKE THE PACKAGE

"The Kawasaki-KCM loaders are great; I especially like the low risk of fire with our 70 model Kawasaki-KCM loaders. Kawasaki-KCM parts are lower in cost as well, compared to the parts for our previous loaders that I had been buying," notes Wardlaw. "Our first introduction to the Kawasaki-KCM line was with the 65 model and it has performed quite well. Our newer models are also working well. We are very satisfied with our dealer and the Kawasaki-KCM loaders."

Serviced by Heavy Machines, Inc., Memphis, TN

KCM CORPORATION ANNOUNCES 2015 SALESMAN OF THE YEAR AWARD

JEREMY HOLMES, AMARILLO, TEXAS

The winner of the 2015 Kawasaki-KCM Wheel Loader Salesman of the Year Award is Jeremy Holmes of Amarillo Machinery, Amarillo, Texas. "Jeremy represents the characteristics KCM looks for in awarding this honor," said Gary Bell, Vice President, General Manager, KCM Corporation. Holmes received his award during a corporate fishing outing he attended as a result of winning a contest for generating new business for Kawasaki-KCM wheel loaders.

"We don't necessarily select the top-volume salesman, rather we select someone who exhibits professionalism, skill, and attitude. Jeremy always represents himself, his distributorship, and his manufacturers in the most ethical manner. Jeremy is a great representative of Kawasaki-KCM loaders, and we are proud to present him with this recognition."

Jeremy started in the industry by way of his Uncle, Richard Holmes, who was working with Amarillo Machinery back in 2012. Jeremy was not new to agriculture and construction equipment, having had a feed business and running agricultural equipment on his family's farm, so he felt comfortable from the beginning. While attending West Texas A & M, studying Agriculture Education, he worked for Texas A & M Agriculture Experiment Station, on the Wheat Breeding Crew.

"My family has always had farms, so I got into the feed business. I hauled seed and put out cattle supplements. Then my brother-in-law and I got into the Custom Harvest business, and ran that for about 10 years, and got out due to the drought in Texas in 2012" states Holmes. "I started with Amarillo Machinery in 2012. They contacted me and I haven't looked back"

"My favorite thing to sell is the wheel loader. I feel comfortable with a wheel loader because I know what the Customer needs out of it, and I know what it will do. I know that my Customers work 7/365. They expect their equipment to do the same" states Holmes.

"Every member of our team is totally Customer Service oriented. We have an awesome shop that will work on any brand. Great Parts department that will do the same. There are no weak links in our Dealership. We celebrate our successes together. I couldn't sell anything without all of the members on my team!"



Jeremy Holmes, Amarillo Machinery, Texas Adam Craft, KCM Regional Sales Manager-Texas.

"The true testament to our Customer Service is all of the repeat business we do. In 2015/2016 we are about 2/3 repeat customer business. That tells the story." Beams Holmes.

KCM Corporation, formerly Kawasaki Construction Machinery Corp. of America is headquartered in Kennesaw, Georgia. Their Kawasaki-KCM wheel loaders are manufactured and assembled in Newnan, Georgia. KCM has been serving the North American market for over 35 years. For information on the entire line featuring 15 models from 45-720 horsepower, visit KCMCORP.com or call 770-499-7000.



ONE FOCUS, COMPLETE SOLUTIONS

INDUSTRY EXCLUSIVE INNOVATION

The commitment of KCM Corporation to the North American market is significant. With manufacturing facilities in the US and Japan, KCM has the experience and technology to design, engineer, manufacture, and service your Kawasaki-KCM wheel loader. The KCM team is focused on wheel loaders! Flexibility, responsiveness and ease of doing business are foundations of that commitment.

- *Engineered Specialty Applications Packages*
- *Flexible Warranty Programs*
- *Fully equipped, in-house Rebuild Center*
- *Solid Partnerships with Knowledgeable, Experienced, Independent Dealers*

Comprehensive solutions, quality products that are up to the task, as well as up to your expectations, a track record of raising the bar without exception –its' the KCM difference on which you can depend!

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