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- Power by the Hour<sup>™</sup>

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## PRESIDENTS VIEW



**Bill Pike** President Komatsu Australia Pty Ltd

As forecasted in our spring edition, orders for mining equipment have continued to grow allowing substantial growth figures to flow through to our financial results. We appreciate the support shown to Komatsu by an ever increasing range of customers.

Unfortunately, due to well known lead-time issues these orders have not been easily fulfilled, but we are undergoing continued expansion of our current branch network which will materialise into higher assembly and service capacity in the third quarter of this financial year.

Excellent progress has been recorded in our Perth branch expansion as well as positive movement towards a new major branch development in Brisbane. I look forward to launching these new facilities to our customers in the near future.

Alas, the impact of world events has had an influence on our construction and utility customers with higher levels of uncertainty hitting the market place. However, Komatsu remains upbeat in regards to the domestic industry after considering the significant levels of infrastructure projects currently in the pipeline or soon to be released by governments across the country.

Australia still has considerable development opportunities which if suitably embraced by the public sector, would guarantee solid growth and prosperity for our industry and the country as a whole. Komatsu has confidently placed advance orders on our own factories to secure the appropriate level of stock to support such growth. We are conscious of the levels of concern in the industry but remain upbeat about the future.

To support our optimism we are continuing to develop our internal systems and business processes. Further enhancements to our Continuous Improvement Program will be a feature of the next half of this financial year, with expanded resources working with our mining customers on key projects.

Furthermore, Komatsu has rolled out a new safety initiative called KALSAFE, allowing greater access to safety information and processes. All employees are encouraged to utilise this new facility.

Thank you to all our dedicated Komatsu staff and to our many loyal Komatsu customers.

#### **CONTENTS**

| Customer News Track Rentals grow plant hire business rapidly with Komatsu's help4 |
|---|
| Trust, service and reliability keep Vassallo coming back6                         |
| New WA plant hire firm starts up with Komatsu8                                    |
| Sam Hazlett: 26 years with Komatsu9   |
| Performance and reliabilty key for Penrice10                                      |
| Darwin contractor receives personalised service11                                 |
| Your daily newsprint: brought to you by Komatsu and Norske Skog12                 |
| Service helps Earthtrack get "on track'13   |
| PC200-8 upgrade pays off for Auckland owner-operator14                            |

| Lloyds North15  |
|---|
| KOWA success at Pybar 18  |
| Soil conservation service takes two dozers19                                    |
| D51 dozer wins international design award19                                     |
| Product News<br>New Komatsu system doubles<br>dozer undercarriage life20        |
| Latest MR-3 mini excavators offer unique advantages to operators21              |
| Komatsu becomes champion<br>business sponsor for Beacon<br>school in Brisbane22 |
| Biennial Construction Materials<br>Industry Conference Sydney<br>success22      |
| Komatsu introduces<br>"Customer First" program 23                               |

#### Komatsu News

| productivity systems at Minexpo24                 |
|---|
| Looking forward as we face uncertain times25      |
| Highly successful Logov Expo show in Queensland26 |

Triple Eight supercar team continues winning run with Bathurst and Indy victories.....27

Komatsu releases new range of merchandise -"The Collection" ...... 28

Down to Earth customer survey results......28

Scott Berry, National Undercarriage Manager ..... 29

Robin Barkley, NZ National Parts Manager ......29

#### Regulars

Komatsu Kids Corner ......30

#### CONTRIBUTORS

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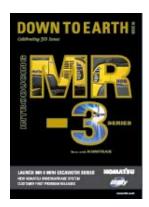
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Front Cover

MR-3 Mini Excavator Series release on page 21.

# TRACK RENTALS GROW PLANT HIRE BUSINESS **RAPIDLY WITH KOMATSU'S HELP**



specialist plant hirers has built up a substantial fleet of Komatsu equipment since it began operating in early May this year.

And despite the "doom and gloom" in some sections of the economy, owner and Managing Director Ron Arnold says he is unable to meet demand for his services.

Ron, who has had nine years experience in the plant hire business, started Track Rentals in May of this year with 12 Komatsu excavators, ranging from 5 tonnes to 65 tonnes, plus an SK714-5 skidsteer.

Since then, he has added five Komatsu HM300-2 articulated dump trucks and three D155AX-6 dozers, which - along with a number of the excavators - are working for Leighton Contractors on the Ballina Bypass Alliance Pacific Highway Upgrade project in northern NSW.

Other equipment available from the

compaction equipment and backhoe loaders.

Although starting off in NSW, Ron has already expanded Track Rentals operations into south-east Queensland - and intends to have the company operating nationally within five years.

"I plan in five years time to have a depot in each state and satellite operations throughout each state," he said.

Ron has built his company up through the loyal contacts and relationships he gained over the past nine years, and what he saw as demand in the construction and mining sectors for a hire company offering the latest high quality equipment combined with personal service.

The company offers both wet and dry hire to contractors, government departments, councils, mines and other clients. "Our clients range from

"I built up a substantial client base over the last nine years and since I have established Track Rentals, they have come across over the past six or seven months.

"There is still plenty of work around for us. My main problem is that unfortunately, I haven't had a machine available for the last couple of months," he said.

"I think there is a lot of infrastructure work coming up, on top of the demand from the client base I have built over the last nine years.

"We're also looking at getting into the mining business, so we are looking at bigger equipment," he said. "We'd be looking at 120-130 tonne excavators and larger dump trucks.'

Ron said that in setting up Track Rentals, he always intended to base his fleet around Komatsu equipment.

Komatsu provides has been brilliant.

"Fuel efficiency has been excellent on all the machines; I have no complaints at all.

"With the new Tier 3 engines and emission control systems, it's been fantastic, it has just been great," he said.

"Since we've started the business, the Komatsu guys have been brilliant; the sales and aftermarket experience and the parts and availability have been second to none.

"In particular I deal with Matt Watton - who despite being a terrible golfer! - is fantastic to deal with," Ron said.

"When I started Track Rentals, he helped us out; he's done everything he could to help us out.

"We are now talking with Komatsu Australia about a comprehensive maintenance contract that will cover our whole fleet."





# TRUST, SERVICE AND RELIABILITY **KEEP VASSALLO COMING BACK**

Vassallo Constructions Mackay is a family-owned and operated company that has kept purchasing Komatsu due to the reliability and durability of the equipment, its fair dealings, and the quality and pricing of its latest equipment.

Owned and operated by four brothers, Victor, Joe, Peter and Michael Vassallo, the company started in 1995 when they decided to diversify out of the sugar cane farming the family had been engaged in for years.

The Vassallo brothers started off developing some land on the fringes of Mackay, using their expertise in earthmoving from their farming background, said Victor.

Since then they have diversified into civil construction, land development and most recently quarrying, all around the Mackay district.

Currently Vassallo Constructions' projects include all types of civil construction infrastructure works ranging from Queensland Main Roads Projects, such as the \$13 million project duplicating the Mackay-Bucasia Road, through to other works including council infrastructure works such as road works, sewage treatment plant upgrades, pipelines, bridges, car parks and footpaths.

Other projects also include residential and commercial subdivisions, bulk earthworks such as dams and bulk fill projects, mining infrastructure and the like.

"I started the business myself, basically as an owner-operator while my brothers stayed on the farm and did that side of it, but we always remained partners or equal shareholders in the company," said Victor.

"Being an owner operator and going on and off the farm didn't last for long because we quickly started getting more and more outside work.

"Soon after the company started we had 10-15 people working for us, and today we employ around 100.

"We operate a substantial fleet of equipment, including six Komatsu excavators from 7 to 100 tonnes (with the latest being two PC270-8s delivered earlier this year)," said

Other equipment includes two Komatsu WS23 scrapers – "we've had them for a long time, they are old machines, not many people know about Komatsu scrapers" - a D155 and D375 dozer plus three WA480 loaders and a WA470 loader used in its new quarry operation.

The second machine ever purchased by the company was a Komatsu PC300-5, was bought in 1996, second hand with 6000 hours already on it. This machine is still part of the continually expanding fleet today.

"You can't kill that bloody excavator," said Victor. "That is by far the best machine I've ever had as far as reliability goes.

"We still use it like any other kind of machine, whether it be in a quarry or digging trenches, laying pipe, whatever.

"It has been a fantastic machine and everyone who has owned those machines says the same. Eventually it will wear out, but right now it just keeps on going."

The company's two latest machines are its two PC270-8s, delivered earlier this year, and used for general civil works, roadworks, pipelaying and subdivisional type works.

"The performance of those two new machines is exactly what you'd expect from any piece of Komatsu gear," Victor said.

"If you buy a new piece of Komatsu gear, you expect it to perform and it always meets your expectations."

He said there were a number of reasons behind Vassallo Constructions' decision to purchase Komatsu.

"To start with, if you go for the Komatsu brand, then you know you are going to get reliability. Plus you are getting performance and all of those sorts of things.

"The price also had a part to play in this deal, as the Komatsu machines were very competitively priced.

"We deal with Rod Featherstone and Graham Moohin at the Mackay branch, and they are wonderful people to deal with."

The company's last two excavators were bought through Komatsu Australia Corporate Finance, which worked out very well according to

"Basically our accountant did the deal, and there were no problems at all. You know when you have problems with finance people and there were just no problems.'

And, as far as service goes, Victor believes Komatsu "comes to the party every time".

"We remember dealing with companies that want to give us service and look after us," said Victor.



## **NEW WA PLANT HIRE FIRM STARTS UP WITH KOMATSU**

Publicly listed WA based Global Construction Services Ltd, which has recently launched a specialist plant hire operation, GCS Hire, has chosen Komatsu utility equipment to form the basis of its initial earthmoving equipment fleet.



GCS Hire recently purchased two Komatsu PC14MR-2 mini excavators and two Komatsu SK714-5 skidsteers, painted in the company's distinctive red corporate colours.

Additionally, one of the SK714s was the 1000th machine to come out

of Komatsu Utility Central, Komatsu Australia's centralised equipment pre-delivery operation for all utility equipment sold in Australia.

GCS Group is a diversified construction services company that provides a range of products and services to the residential, commercial and industrial sectors of the construction and maintenance industries, including scaffolding, formwork, material hoists, temporary site accommodation, chemical toilets, temporary fencing and plant hire, together with related labour services

The new GCS Hire division operates across the Perth metropolitan area, and can supply equipment to remote or regional areas. In addition to the new Komatsu equipment, GCS Hire carries a range of generators, lighting towers, stand-on mini skidsteers, access equipment, air compressors

and compaction equipment.

Since taking delivery of the new Komatsu products, GCS Hire's Account Manager, Jamie Stamp has been very impressed with their performance.

"The Komatsu skidsteers are comparable with other products in regard to power; however, they stand out above the rest as they are quieter and offer a better cab environment," he said.

"They are also much more comfortable machines to use."

Jamie said key reasons for going with Komatsu included the aftersales support and the extensive network throughout Western Australia provided by Komatsu.

"GCS Hire offers its equipment across the metropolitan area as well as to remote or regional areas

of Western Australia under long or short term contracts and Komatsu's regional support is very important to us as it helps us manage and support our regional customers.

"Komatsu products sell on their merits rather than on the shortcomings of other brand products available in the market place and I found this refreshing.

"Our local Komatsu representative, Kye Keenan was very helpful all the way through the process from enquiry to delivery and training," said Jamie.

Pictured Left to Right: Kye Keenan, Komatsu Perth Business Development Manager Construction, Jamie Stamp GCS Account Manager, Phil Funga, GCS General Manager and Glenn Swift WA Sales Manager Construction, at the handover of the two SK714-5 Skidsteer Loaders.



## **SAM HAZLETT: 26 YEARS WITH KOMATSU**

Sam Hazlett, of Otago based D S Hazlett & Son Ltd — a company he started with his father in 1952 — purchased his first Komatsu excavator in 1982, and hasn't bought any other brand since.

"I've always been very pleased with their performance — and I wouldn't keep buying them if I wasn't," he said.

Sam works in a 50 km radius around his home town of Ranfurly, providing a full range of services for local farmers, including general excavations, water race cleaning, installing water lines, dry fence posts and similar works.

He owns a fleet of six Komatsu excavators: a PC130-8, PC138US-8, PC30MR-2 and three wheeled excavators, a PW100-3 purchased used two years ago, a PW110R-1 purchased used four years ago, and a 24-year-old PW150-1 that "still goes as well as when we first bought it", he said.

The most recent machine is the PC30MR-2, largely used for town-based work in plumbing-type applications around homes.

Another recent purchase is the shorttail PC138US-8, which Sam finds ideal for use in farm works.

"It's very good in farm works; it's compact, it goes anywhere and we can get it into very tight spaces," he said.

Attachments for the Komatsu machines include a large range of different-sized buckets, augers, compaction plates and root rakes.

In addition, he has a fleet of three trucks for hauling equipment and carrying out cartage work.

Sam's involvement with Komatsu goes back to 1982, when he purchased a PW60-1 wheeled excavator.

"When we first started in this

business, we used draglines, then we moved to Hymacs, then backhoes, before migrating to the wheeled Komatsu diggers," he said.

"We were only the second Komatsu owner in Otago, and we've been buying them ever since," he said. "We've never bought any other make of excavator — and why would we?

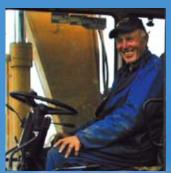
"We've never bought any other make of excavator – and why would we?"

"Following that first machine, we bought a PC120-1, and we've owned 24 Komatsu machines since then — mainly PC120s and PC150s, but also four or five PW100s.

"We like the wheeled machines as they are ideal for farm works; they do all that we need of them, and because the climate is so dry here they can go anywhere," said Sam.

"We've been pleased with the support from Komatsu. We do most of our own service and maintenance, unless anything major is required — but we don't have much need for major repairs.

"Komatsu also has some very good sales reps that we deal with. Greg Stewart is our current rep, but we've also dealt with Phil Thomson over the past 23 years."



Pictured Above: Sam Hazlett working on his farm in Otago.



## PERFORMANCE AND RELIABILITY KEY FOR PENRICE

In 2006, D2E reported on how Penrice Soda Holdings Ltd, Australia's only manufacturer of soda ash, had entered into "power-by-the-hour" contract with Komatsu Australia for the supply of a complete fleet of dump trucks, wheel loaders and excavators, plus a dozer, water trucks and grader, for its Angaston limestone quarry in South Australia's Barossa Valley. Two years after the quarry made the decision to go with Komatsu, we caught up with **Chris Andrews, Mine Production** Manager at Angaston on how the application and performance of the Komatsu machines.

Penrice's Angaston quarry, which was set up in 1950 not only supplies the company's soda ash manufacturing plant in Adelaide, but also supplies lime products for civil construction applications such as road construction and cement manufacturing, and high-grade chemical sand for the glassmanufacturing industry.

Soda ash is a vital ingredient in manufacturing products ranging from glass containers (especially wine bottles) to washing powder, and sodium bicarbonate, used in applications as diverse as animal feed, food and pharmaceuticals.

The quarry was originally established to supply Penrice's Osborne factory in

Adelaide with the limestone required for the production of black soda ash, and the quarry still provides 500,000 tonnes of high grade limestone per year to that plant.

It has also moved into supplying the civil construction sector, providing aggregates to concrete batching plants and roadbase material to developers, councils, contractors and the like.

The Angaston quarry is the largest marble and limestone quarry in South Australia.

Komatsu equipment in operation at Penrice supplied both under a powerby-the-hour arrangement through Komatsu Australia Corporate Finance (KACF) and rented in as required, includes two PC1250-7 excavators, two PC450LC-8 excavators, two WA900-3 loaders, four WA700-3 loaders, three WA600-3 loaders, six WA480-6 loaders, seven HD785-5 dump trucks, three HD465-5 dump trucks with 60 tonne bodies, two HD325-7 water trucks, a D155A-5 dozer, a GD655A-3 grader, an SK714-5 skidsteer, and an HM400-2 and HM300-2 articulated dump truck.

Its most recent piece of equipment is one of the PC450LC-8 excavators to feed one of its crushing plants.

The majority of the material excavated at Angaston is drilled and blasted, with a small amount extracted through free-digging.

Production loading and overburden removal is by the WA900-3/HD785-5 combinations, with the D155AX-5 dozer used for overburden mound construction, maintenance and remediation, and the GD655A-3 grader carrying out haul road maintenance and construction.

The two PC1250-7 excavators are also used for overburden removal, production loading and rehabilitation work, with the other equipment used around the quarry for general stockpile, loading, handling and maintenance works.

According to Chris, the quarry has used Komatsu equipment for the past 10 years, and the performance and reliability of the product was a key factor in the decision to go for an all-Komatsu fleet under its power-bythe-hour contract.

"We've had good experiences with Komatsu products over a number of years," he said.

"Komatsu came up with the best package in terms of price, the levels of service it could offer and the wholeof-life costs of the equipment.

"Thispower-by-the-hour arrangement through Komatsu Australia Corporate Finance, gives us terms from 12,000 hours up to 18,000 hours.

"It's based on equipment hours, and we pay for what we use during that period," said Chris. "This arrangement has enabled us to upgrade our fleet efficiently, plus it allows us to gauge very accurately what our equipment running costs will be over a sustained period.

"We went for Komatsu because it offered the best options in moving forward at the time, plus it's been a proven product on-site," he said.

"Since taking delivery of this new fleet, we've been very pleased with the performance of the Komatsu equipment," said Chris.

"The backup has also been very good. We've had some minor problems which we have worked through with Komatsu and resolved quickly.

"We work pretty well with the Komatsu people, we've got a good relationship with them and they support us to the best of their ability at all times.

"We are finding fuel consumption is quite reasonable. Obviously, fuel is a major expense for us and anything we can do there obviously helps."

Chris said there had been a good response from the quarry's operators to the Komatsu equipment used on-site.

"We've no adverse comments or responses to it. The machines are all modern and up-to-date, the cabins are ergonomically designed, and there are no issues with comfort," he said.



# DARWIN CONTRACTOR RECEIVES KOMATSU PERSONALISED SERVICE

Northern Territory's Mousellis and sons, a family owned business established in 1975 by Themilis Mousellis, has a fleet of Komatsu machines working in Town Water work, sub-divisional work, civil and drainage work in the Darwin region.

Themillis is now semi – retired and his sons John and Vasilois (known as Bill) are now managing and growing the business.

"I started working 22 years ago for my father as a labourer and

was given the opportunity to get my apprenticeship in plumbing and drainage soon after commencing work," stated John.

"Once I had the experience and my trade, I was promoted to estimator and now with Bill — who joined the business in 1996 - we coordinate and manage the business, with an ever watchful eye of our father.

The company started out specialising in drainage work in the Darwin metropolitan area, however as Darwin's infrastructure developed

and grew more opportunities became available in sub-divisional work, consultancy for drainage and civil work and major government contracts.

"During the past eight years Darwin has seen phenomenal growth and now with the abundant gas and oil resources available in the Territory there will be more requirements for infrastructure and housing development," said John.

"This means we need equipment that is reliable and the after sales support that goes with it.

"That's why we started buying Komatsu excavators in 1996. Our first excavator was a PC220-6 and now we own nine Komatsu machines," he said.

The Komatsu fleet consists of six excavators: PC15MRX-1, PC138US-8, two PC300-7s, PC55MR-3, PC30MR-2, WA250-3 and WA250-5 wheel loaders and SK818-5 skidsteer loader

John went on to state that compared to other brands on the market the Komatsu excavators are the most technologically advanced.

"Basically, the Komatsu excavator range is ahead of the rest!

"The reason we keeping going back to Komatsu machinery is the performance of the excavators and that we're not just a number.

"We've built a bond with the Komatsu guys and we get personalised service every time."





# YOUR DAILY NEWSPRINT: BROUGHT TO YOU BY KOMATSU AND NORSKE SKOG



Norwegian based newsprint and magazine paper manufacturer Norske Skog has recently taken delivery of two Komatsu WA380-6H wheel loaders for handling waste paper and loading bark in its Albury paper mill.

Norske Skog is the world's largest producer of newsprint and magazine paper, with 18 mills worldwide. Its Albury mill was opened in 1981 under the original ownership of Australian Newsprint Mills, and today manufactures approximately 265,000 tonnes of newsprint annually for print sites throughout Australia.

Robert Rogers, Norske Skog's Procurement Manager, said that the two Komatsu loaders replaced two loaders of another brand.

Both units are fitted with joystick control; the loader used for handling waste paper in its paper recycling operation is fitted with a 5 cu m light materials bucket, while the other — used for bark handling — is fitted with a conventional-sized 3 cu m bucket.

Bark comes from Norske Skog's woodmill, with all logs debarked at the Albury mill before Chipping, and the chips then used to make newsprint.

"The majority of the bark is used as a supplementary fuel in our boiler," said Robert. "However about 1000 tonnes a month is excess to our requirements and is removed by a local garden supply business.

"Our bark-handling loader is used to load this excess product from the ground and into trucks," he said.

Recycled paper used at the mill comes from a number of sources, but is primarily waste from press sites and curbside collections.

### "...operators are very happy with the ergonomics of the machines,"

"Recycled paper is used in the manufacture of newsprint, blending recycled fibre with virgin chips at a ratio of approximately 30% recycled to 70% virgin chips," Robert said.

Norske Skog Albury handles about 170,000 tonnes a year of recycled fibre.

"While it's a bit too early to comment on production and fuel consumption figures, our operators are very happy with the ergonomics of the machines," said Robert. "That — along with the competitive price — were important factors in going with Komatsu.



"Since taking delivery of these loaders, we have been very happy with the support we've received."

The two machines were purchased through Komatsu Australia Corporate Finance.

"We found the KACF people very professional to deal with during the purchasing process," Robert said. ■



## SERVICE HELPS EARTHTRACK GET "ON TRACK"

Earthtrack Solutions received outstanding service from Komatsu Australia's Victorian branch at Campbellfield, when it required the urgent delivery of hydraulically modified PC138US-8 excavators in order to start on a major rail project.

The company recently purchased a fleet of three Komatsu PC138US-8 zero swing excavators, with specially modified hydraulics, and factory-fitted genuine Komatsu rubber tracks for use on a national rail upgrade project between Melbourne and Sydney.

Earthtrack Solutions is a subcontractor to John Holland Rail on the Southern Improvement Alliance (SIA), a joint venture between the Australian Rail Track Corporation (ARTC) and its partners, John Holland Rail, MVM Rail and O'Donnell Griffin.

SIA is carrying out a major upgrade of the Melbourne to Sydney Rail corridor to improve the competitiveness and market share of rail transport in the freight haul and distribution industry.

This project has seen the introduction of the "side insertion" process, which enables replacement of the old red gum sleepers with new concrete sleepers in a more cost-effective

manner and with minimal disruption to the live rail network.

In addition to the rail project, Earthtrack Solutions carries out a full range of civil construction and plant hire works, covering the Melbourne Metropolitan area and regional Victoria.

Earthtrack Solutions was formed in 2007 by Jim Vella and Fi Ritchie to provide specialist equipment and services specific to customers' requirements, covering rail construction and maintenance, civil construction and plant hire.

The company's fleet currently consists of three Komatsu PC138US-8 excavators, a PC78UU zero swing excavator, an SK820-5SF skidsteer, as well as additional 13 tonne to 20 tonne excavators, tandem tippers and compaction equipment.

All excavators have been fitted with tilting quick hitches and a modified hydraulic system, to enable the operation of the Platypus attachments, making the machines extremely versatile and suitable for almost any application.

The PC138US-8s currently on the SIA project are fitted with genuine Komatsu rubber tracks, which are required to minimise damage to the rail and avoid shorting out the train signals.

Jim and Fi said they were very impressed with Komatsu Australia's ability to deliver the rail modified excavators in a timely manner in order to fill the requirements of the rail project.

"We had very short notice that the machines would be required; from then on everyone at the Komatsu branch at Campbellfield really pulled together and made it happen; against all odds, they did a fantastic job to ensure we had the machines delivered a lot quicker than we normally would have, "she said.

"The Komatsu excavators are far superior to the other brands for this type of work," said Jim.

"Firstly, their fuel efficiency is second to none against the other brands – at least 15% improvement"

"Secondly, the foremen and site supervisors much prefer the Komatsu rubber track system over the regular bolt-on rubber pads used on the other machines," said Jim.

"The Komatsu rubber tracks are a lot stronger and better designed for work on the rail; we have worked out you can get over 3000 hours from a set compared with approximately 1200 hours from the regular bolt-on rubber pads.

"And if required, these machines are able to go straight into work on a civil site with the ability to work on any surface with no risk of damage to asphalt or concrete surfaces."

Jim and Fi have also been very pleased with the backup they have received from Komatsu.

"That's just not something you can rely on with other manufactures. The backup service was amazing and the people who 'really matter' from John Holland saw that and were very impressed by it."

Jim and Fi have also opted to use Komatsu Australia Corporate Finance when purchasing new equipment.

"We have only used Komatsu Australia Corporate finance when financing new machines and it has never been a drama.

"In every case we got an answer within 24 hours and, as Fi said, they were prompt and efficient at getting all the paperwork through to enable the work to proceed on the machines" said Jim.



# PC200-8 UPGRADE PAYS OFF FOR AUCKLAND OWNER-OPERATOR

Owner-operator Keith Hand in Auckland recently upgraded to a used low-hour Komatsu PC200-8 excavator — and is finding it gives him significant fuel savings and productivity advantages compared with his previous PC200-7 machine.

Hand's company, KH Civil, specialises in commercial and factory site preparation, on both demolition and greenfields sites, throughout the Auckland region.

He carries out the full range of site preparation works, from breaking concrete, removing trees and vegetation and sorting waste materials, through to drainage and services excavation and final trim ready for slab pours.

An operator for other contractors for many years, Hand started KH Civil in early 2007, when he purchased his first machine, a Komatsu Quality

Assured low-hour PC200-7 imported by Komatsu NZ from Japan, and given a complete check, respray and full 12 month warranty.

This machine was fitted with a quick hitch, digging buckets, sorting rake and rock breaker.

"It was a really good machine, never gave me any problems at all," said Hand.

"However, I was really interested in the new Komatsu Dash 8 range, and about three months ago I had the opportunity to buy a used PC200-8, which the previous owner had decided he needed to upgrade to a PC220.

"It still had factory warranty, plus it was lower hour so offered better resale values, and it has substantially lower fuel consumption — something which is very important to me in these times when fuel prices are

going through the roof," he said.

He brought across all his old attachments, plus was able to fit the new machine with a PC220-sized bucket. — "its certainly got the power to be able to handle this larger bucket."

"This machine is definitely more comfortable; it certainly feels like it has more power, and it's much better balanced, with a better seat and improved controls — they are really smooth — so it's much better to operate," Hand said.

"Particularly in the Eco mode, I find I'm getting a lot more digging done to the tankful.

"I also really appreciate things like the nudge bars all around and the stone guard at the front."

At around the same time he bought the PC200-8, Hand also bought a PC45-8, which he uses for cleanup, final site preparation for slabs and driveways, as well as small drainage and services excavation.

This machine is fitted with a quick hitch, tilt bucket, 300 and 400 mm buckets and a rock bucket.

A key reason for sticking with Komatsu has been the support he's received from Komatsu NZ.

"The support has been excellent. If I need any advice or have any questions about the operation of these machines, they always get back to me the same day," said Hand.

"I get Komatsu to do all the servicing, to ensure the machines perform at their best, and they do a terrific job.

"They always leave the machines clean and tidy, just the way they found them," he said.



## TASSIE SUPPORT WINNER FOR LLOYDS NORTH

Tasmanian-based transport and industrial services group Lloyds North has made significant investments in Komatsu loaders and dozers as a result of the strong levels of service and support it gets from the company.

The company began as a transport company in the north of Tasmania in 1977 with just nine vehicles in 1977.

Today it has grown into an organisation which employs around 200 people, and has invested heavily in technology, with modern fleets in the areas of bulk handling, forestry, industrial services, as well as operating quarries, warehouses and distribution networks around the state.

Lloyds North is part of the Byron Bonney Group, based in Devonport; the other key element of the business is Caltas Pty Ltd, the Caltex distributor for northern Tasmania.

According to Philip Molineux, Chief Executive of both Lloyds North and Caltas, Lloyds North's fleet, in addition to trucks and on-road haulage equipment, includes significant numbers of wheel loaders, excavators and dozers for bulk handling and other activities.

"We find that Komatsu has a very good range of wheel loaders and excavators — and we've been buying quite a lot of equipment from Komatsu in recent times to support three large contracts — which are Australian Bulk Minerals, Forest Enterprises and Smart Fibre"

The company's latest purchases include one new WA500-6 loader, two new WA470-6 loaders with log forks, a used WA470-5 with log forks, a new D155AX-6 dozer with purpose-built "chip basket" and a low-hour used D155AX-6, also with a chip basket.

The chip baskets are used on the dozers for stockpile handling and ship loading; according to Lloyds North Operations Manager John Austin, the chips weigh only about 300 kg to the cubic metre.

"Consequently you need to increase the quantity to be able to push a substantial amount at any given time. They are probably pushing 20 tonnes at any one time, and we are loading around 45,000 tonnes in about 70 hours using these machines," he said

"Predominantly the operators that we employed with these contracts

have previously operated Komatsu equipment and they are very happy with the machines levels of comfort and performance," he said.

Philip said the new Dash 6 loaders and dozers were fitted with Komatsu's Komtrax remote monitoring system, which worked very well for the company.

"We have a keen interest in the Komtrax system; it's given us some very good reporting and it helps to see how are machines are working in different environments.

"One of our toughest challenges is with the dozers that are working 24 hours non-stop doing ship loading; the machines can run quite warm and so they need a fair degree of care as the radiators have to be cleaned and kept free of the woodchip.

"This can help us with operator training, where if someone runs the machine hotter than everyone else, then we focus a little bit more on that operator and see what he is doing and demonstrate to him by showing reports that the machine has been getting hot," he said.

"That's going to help us considerably with extending the engine life and

the working life of the equipment.

"Another terrific tool is the fuel consumption monitoring, where we can see how each machine is going in terms of fuel consumption.

"We also appreciate the remote maintenance that the technicians from Komatsu are doing — where they can dial in and see exactly what is going on and diagnose any problems; it saves a lot of downtime," said Philip.

Philip said another key element in opting for Komatsu was the local Komatsu Australia management team.

"They tend to be proactive with their major clients such as ourselves by having quarterly performance meetings.

"We review things like Komtrax reports and overall condition reports on the equipment. They also put ideas to us such as equipment inspections and evaluations to assist us to get the best out of our gear.

"That's big reason we like dealing with Komatsu equipment: because of the people and the support we get here in Tassie," he said.





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#### **ISSUE 2**

"Down to Earth" magazine name launched. "...it suggests the importance of the earthmoving industry...
as well as the strong and progressive spirit of Komatsu.













ISSUF 1

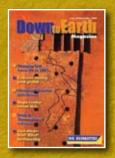
Down to Earth is released to customers.

#### **ISSUE 12**

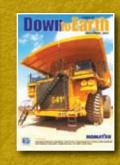
NS Komatsu delivers first mobile Crusher (BR350JG) to be exported from Komatsu Japan.

# DOWN TO EARTH

Komatsu Australia is celebrating the 50th issue of Down to Earth and during the last thirteen years this magazine has and informative external publication that is aimed at reporting customer news, product information as well as industry













**ISSUE 24** 

First "Kids Corner" published.



Pro Hart's biggest canvas – a PC200-7 Excavator, which raised \$90,000 for youth unemployment programs.











**ISSUE 35** 

Bill Pike is appointed Managing Director,





Launch of KALSAFE program.







ISSUE 45

KOMTRAX released in Australia and New Zealand.















NS Komatsu reaches five years as distributor of Komatsu products to Eastern Australia.













Take Five initiative launched - maximising safety awareness and performance.

# DIGS UP 50 ISSUES

seen considerable change. From its early beginnings as an internal communication called "The Gazette" to a high quality highlights, not only to Komatsu employees but to our customers in Australia, New Zealand and New Caledonia.













BR550JG-1 Crusher, PC1250SP-7 Excavator and D375A-5 Dozer released.





WA250-5, WA250PT-5 and HM400-1 Articulated Dump



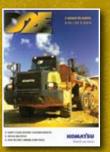
Dash 8 Excavator series launched.

**ISSUE 40** 



**ISSUE 38** 

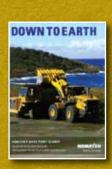
Komatsu ecot 3 (ecology and economy technology) engine released.







PC200 Hybrid Excavator released in Japan.





DOWN TO EARTH



## **KOWA SUCCESS AT PYBAR**

NSW based mining and civil contractor Pybar Mining Services has recently opted to use Komatsu Australia's KOWA oil sampling service for more than 200 items of heavy equipment.

The company, which currently carries out primarily underground mining contract work - but is looking to expand its surface mining and civil construction activities - began in 1995 with it's first mining contract at Mineral Hill Mine near Condobolin, NSW, with one loader, one truck, one jumbo and 30 employees on an underground development & production contract.

Soon after, it obtained contracts in North Parkes Mines and Cadia Valley Operations carrying out underground mining and construction work.

Today, the company is based in Orange, NSW and employs over 700 people and owns 388 pieces of underground & surface mining and civil equipment, including 35 haul trucks, 21 loaders, 43 drill rigs, 60 support machines such as excavators, graders, integrated toolcarriers, shotcrete rigs, and 14 heavy trucks - along with over 200 light vehicles and miscellaneous equipment items.

In May 2008, Pybar decided to have all its heavy equipment oil sampling and analysis provided by Komatsu Australia's Condition Monitoring Services (CMS), using the KOWA (Komatsu Oil Wear Analysis) system.

According to Pybar's Asset Manager Ray Bushnell, his experience with KOWA in previous career roles in civil construction played a big part in the company's recent decision to adopt Komatsu oil sampling for all 220 items of heavy plant.

"Because KOWA meets the NATA standard, it also allows us to use it for any new equipment under warranty, such as our Caterpillar, Volvo, Toro and other equipment items," he said.

"I had researched other suppliers of condition monitoring services; what I was looking for in a sampling process was a system that was centralised nationally and provided an easy-to-use electronic reporting system, so we did not need to rely on hard copies.

"The ECAM system Komatsu offers is very simple to use by our on-site personnel, even down to the way we can print labels ourselves," said Ray.

"Another important element of the service Komatsu CMS provides is that when an 'extreme' sample is found, the KOWA lab will ring our site maintenance manager to advise a problem, so we are not waiting for a fax.

"If we have a problem we're contacted quickly; turnaround time of the sampling-to-report time is critical to us and this was a key factor in influencing our decision to go with Komatsu Australia," he said.

PYBAR started with KOWA in May

"Our previous oil sample records from other suppliers were downloaded into Komatsu's ECAM machine records so we could immediately take advantage of the trend analysis," said Ray.

Komatsu CMS also came to Pybar's head office facility in Orange, NSW to provide training in the ECAM software for Pybar's maintenance

Pybar's trainer in turn has now trained company site staff in all locations on the ECAM system, giving them immediate access to reports.

Pybar's current contracts include underground development production, ground support & rehabilitation and mine services as well as subdivisions, topsoil stripping and wet & dry plant hire. Pybar is currently working at Tritton Copper Mines - Girilambone NSW, Peak Gold Mine - Cobar NSW, CSA Mine -Cobar NSW, Cadia Valley Operations-Orange NSW, North Parkes Mines - Parkes NSW and Mount Isa Mines - Mount Isa Queensland. It is also carrying out two civil projects near Bungendore, NSW and topsoil stripping at Wilpinjong Coal Mine near Mudgee NSW.

Pybar Director Brendan Rouse said that although the company's works have been predominately underground, it is now developing business in surface civil construction and in open cut mining.

"Our portfolio of services currently includes; plant hire, excavation, production and development work, construction works and support services," he said.

"The success of this business has been built on our relationships with our clients, including long-term partnering relationships along with on-going and repeat contracts.

"Our success has come from having joint goals with our clients in areas of, for example, safety and production - with both parties; sharing the risks and also having an interest in the success of the contract," said Brendan.

Pictured Left: Ray Bushnell, Asset Manager, Right: Brendan Rouse, Director





# SOIL CONSERVATION SERVICE TAKES TWO DOZERS

Two of the newly released D51EX-22 dozers have been recently procured by Soil Conservation Service (SCS), to be used in conservation earthworks in New South Wales rural areas.

Minister for Lands Tony Kelly took delivery of the two dozers at the Komatsu Fairfield Office prior to their shipping to Tamworth and Warialda where the dozers will be used to contour waterways in the area.

"The new dozers will be used for

construction works such as farm dams, and contour banking and waterway systems on farms," said the minister

"The D51EX-22 dozers feature a unique cab-forward design with the radiators at the rear allowing the machine to have a "super-tapered" front that provides all round visibility enabling the operator to level and contour in tight and confined spaces.

The D51EX-22 dozers are equipped with Komtrax satellite tracking system to improve fleet management, work monitoring and machine location.

"This will allow SCS to know where the machines are working to providing enhanced machine security," he said.

"The system allows the monitoring of the machine's fuel use and performance in such areas as the number of hours they have been working as this helps to determine servicing requirements.

"The dozers also have a rear camera

for improved safety and operator comfort, this reduces the need for the operator to constantly look over their shoulders when reversing," said Mr. Kelly.

Pictured Left to Right: Paul Jones, SCS General Manager, Warwick Watkins, Director General Department of Lands and Soil Conservation Commissioner, Tony Kelly, Minister for Lands and Sean Taylor, Komatsu General Manager Construction, at Komatsu

# **D51 D0ZER WINS INTERNATIONAL DESIGN AWARD**



Pictured Above: Kunio Noii. President and CEO Komatsu Limited.

In August 2008 President and CEO, Mr Kunio Noji announced that the newly released Komatsu D51 EX/PX-22 dozer won the Silver award of the International Design Excellence Awards (IDEA®) '08, which is the premier international competition honouring design excellence in products, ecodesign, interaction design, packaging, strategy, research and concepts.

The D51 design was honored in the Commercial and Industrial category for its super-slant nose engine hood.

According to the award citation from IDEA®, The D51 EX/PX-22's "superslant nose" engine hood design represents the first time in the history of dozers that the entire top of the dozer blade is visible from the cabin at all times. This unique feature allows the operator to see objects that are very close to the blade, dramatically increasing safety and efficiency on the jobsite. This new design assures an improvement in fundamental dozer work parameters.

The D51EX-22 and D51PX-22 crawler dozers are mid-sized machines for work in construction, site preparation, home building, forestry, utility and quarry applications. Outfitted with Komatsu's fuel efficient 6.69 Litre, Tier 3 emissions certified SAA6D107E-1 engine, these new models push with 97 kW at 2,200 RPM and range in operating weight from 12.710 to 13.100 kg, depending on the version. Both standard (EX) and low ground pressure (PX) models are available to offer customers weight distribution/ flotation options to match their application.

# **NEW KOMATSU SYSTEM DOUBLES DOZER** UNDERCARRIAGE LIFE

Komatsu has released a new dozer undercarriage system, offering up to twice the life of conventional dozer under carriage in high-wear applications, and eliminating the need for costly and inconvenient pin-and-bush

The new undercarriage system, known as the Rotary Bushing Track PLUS (Parallel Link Undercarriage System), will be available as an option on Komatsu's D65 series of dozers early in 2009, and shortly after as an option for its D51 and D61 series machines.

According to Scott Berry, Komatsu Australia's undercarriage Sales and Business Development Manager, typically expenses associated with undercarriage servicing, repairs and maintenance accounts for around half the total costs of operating dozers.

"Extending the life of the undercarriage

parts has been a key challenge for equipment manufacturers looking to reduce customers' operating costs,"

"On conventional tracks, the link and bushing – the main components on the undercarriage - undergo continuous wear and tear, so that pin-and-bush turns, followed by replacement, are required several times during the life of a dozer.

"In addition, during operation the external surface of the bushing slides against the sprocket, and while under torque this creates a grinding process.

"As a result, the bushing is usually the first component to wear, which in turn also decides the useful life of the crawler track," said Scott.

"However, Komatsu engineers have worked out that, if the bushing is able to rotate freely, it will not slide up against the sprocket - significantly reducing wear and giving much longer life.

"Our newly developed rotary bushing track achieves this objective by replacing the conventional offset type link with a parallel link, known as Rotary Bushing Track PLUS.

"It is a highly reliable system which has been through extensive bench tests and application tests, based on Komatsu's advanced technology amassed over many years of experience," he said.

Features of Rotary Bushing Track PLUS include:

- Crawler track life doubled compared with conventional types, in both sand and clay applications
- Greatly reduced wear in segment teeth, giving extended life
- Eliminating the need for pin and bush turns.

"For owners, no longer having to

carry out pin-and-bush turns will result in a massive reduction in undercarriage costs for Komatsu dozers," said Scott.

"Owners will no longer face the expense and inconvenience of pinand-bush turns, including parts and labour expenses, the associated downtime while the machine is out of action, and the costs involved in removing and transporting the track to track repair and maintenance facilities

"This innovative development from Komatsu will substantially reduce the costs of operation and ownership of Komatsu dozers, resulting in significant savings and higher profits for our customers," he said.

In addition to the Rotary Bushing Track PLUS on its mid-size dozers, Komatsu has also developed a dual bushing track system for its D275AX-5 dozer, details of which will be released shortly, said Scott.

#### Comparison of Current Track and Rotary Bushing Track (PLUS)

# Current Track Rotary Bushing Track (PLUS) Rotary bushing

# LATEST MR-3 MINI EXCAVATORS OFFER UNIQUE ADVANTAGES TO OPERATORS



Komatsu Australia has released a complete new range of five mini excavators, the MR-3 range, replacing its successful MR-2 range, with a host of features designed to reduce operating costs, improve production and increase safety.

Improvements and upgrades introduced with the new MR-3 range include class-leading lowemission engines - complying with the forthcoming Tier 4 emissions standards - increased productivity, improved operator comfort and safety, and easier servicing and maintenance.

In addition, all machines in the range are fitted with Komatsu's Komtrax remote monitoring system as standard.

The new range consists of five models, the PC18MR-3 (1780 kg operating weight), PC30MR-3 (3140 kg), PC35MR-3 (3575 kg), PC45MR-3 (4755 kg) and PC55MR-3 (5160 kg).

According to Carl Grundy, Komatsu Australia's national sales manager, utility, the MR-3 range represents a significant advance over the previous MR-2 range.

"Our MR-2 excavators were recognised as being the most comfortable, productive and easyto-maintain mini excavators on the market," he said.

"With this new range, Komatsu has introduced a number of improvements that add substantially to serviceability, and therefore reliability and lowercost operation, productivity, and operator safety and comfort."

Key features include:

- Higher productivity, through 10% faster hydraulics, extended dipper arm working range and better dozing performance
- A new high-strength "X-track" frame, similar to what is used on Komatsu's larger excavators, giving improved durability and reliability
- · Easier serviceability through better service access, including a tilt-up operator's compartment, wideropening engine door and side cover, side-by-side radiator and oil cooler for easier inspection and cleaning, and extended lubrication and engine oil replacement intervals
- Improved operator safety and comfort, through such features as having the hosing on the boom sheathed to protect the operator from hot oil in the event of a hose failure, as well as the largest, most comfortable operator cab/cabins of any mini excavator range.

"As with all products in our range, all components in our MR-3 range have been designed and manufactured by Komatsu to work together as an integrated whole," said Carl.

"This ensures they work efficiently

together providing optimum performance, reliability and durability.

"On the service side, Komatsu pioneered the concept of a tilt-up operator's compartment for easier access to key components, and on the MR-3 series we have developed this further, with improved component positioning, ensuring that access is even quicker and easier.

"This is complemented by having our Komtrax remote monitoring system supplied as standard on all these machines – the first time this system has been available on Komatsu utility equipment," Carl said.

"This allows us to work closely with machine owners - whether fleet owners, contractors or owner-operators — to ensure that their machines remain in optimum operating condition at all times, with early warning of any potential issues or component failures.

"We are able to alert owners, plant managers or operators to any unusual occurrences, allowing them to carry out preventive maintenance before unscheduled downtime occurs.

"And the other great advantage of Komtrax is that it makes these machines virtually theft-proof, as we are able to track the location of all Komtrax-fitted equipment - and prevent it being started or used if it is reported stolen," he said.

"For owner-operators, for whom a single machine can be responsible for their entire livelihood, we see this as being a major advantage, while for plant hirers and fleet owners, it can be a major weapon against unauthorised use or theft in poorly secured worksites."

#### PC18MR-3:

#### PC30MR-3:

#### PC35MR-3:

#### PC45MR-3:

#### PC55MR-3:



# KOMATSU BECOMES CHAMPION BUSINESS SPONSOR FOR BEACON SCHOOL IN BRISBANE



Pictured Left: Jade Leishman, Beacon Foundation Coordinator, Tanya Ramprasad, Bradley Batty, and Bruce Auld, East Coast Reman Manager.

Komatsu Australia has taken on a role as a "Champion Business Sponsor" at Loganlea State High School in Brisbane, as part of its support for the Beacon Foundation and its national No Dole program.

Beacon has launched its Champion Business Sponsorship initiative as a further enhancement to assist schools participating in its highly successful "No Dole" program, in association with the Beacon Student Leadership program.

Komatsu agreed to take on this role at Loganlea after Val Young, Beacon's Queensland State Manager, approached Komatsu through a relationship already firmly in place with Bruce Auld, the company's East Coast Reman Manager.

"Programs such as Champion Business Sponsorships really help bridge the gap between schools and industry," said Val. "Beacon already had a close relationship with Komatsu's Reman centre, which had previously been involved in hosting school visits and also participated in last year's Beacon State Conference."

Bruce and Val worked out a sponsorship package, which was then agreed to with the assistance of Mary Huxtable, Komatsu Australia's National HR Operations Manager.

"The school chosen for Komatsu to sponsor is Loganlea State High School, a school of around 800 students in Brisbane's south east," said Bruce.

"This school provides a greatly varied curriculum, with both an agriculture and mechanics program on offer.

"With the majority of students at the school headed towards tradebased employment, this link between Loganlea and Komatsu Australia is very good fit," he said.

Bruce was invited to the school in

July to formally present a cheque to the members of the Beacon Student Leadership Program at the school assembly. He was warmly welcomed to Loganlea and given a tour of the farm and mechanics areas.

Following this presentation, the school held an "Industry Expo" evening in conjunction with parent/ teacher interviews later in July.

Around 40 industries, ranging from defence forces to hairdressing academies showcased employment opportunities; the Komatsu Australia stand, manned by Bruce and another Reman staff member, Simon Peever, was greatly appreciated and attracted plenty of interest from parents and students alike.

"Komatsu Australia is looking forward to further strengthening relationships with Loganlea SHS and also with the Beacon Foundation as part of our ongoing national commitment to its aims and objectives," said Bruce.

# BIENNIAL CONSTRUCTION MATERIALS INDUSTRY CONFERENCE SYDNEY SUCCESS



The CCAA and IOA's Construction Material's Industry Conference 2008 (CMIC 2008) put on another highly successful conference which was held in Sydney from October 8 to 11, 2008.

The conference theme People Planet + Profit, focused on how industry can balance its corporate responsibilities to shareholders, customers and the broader community, particularly in context of the environment.

In line with this theme, the Komatsu stand displayed the new KOMTRAX, satellite monitoring system - this system will empower plant equipment owners, managers and operators as they will be able to monitor their machines on the Web; anywhere, anytime. The result is the power to make fact-based decisions having a direct effect on your bottom line through increases in efficiency and productivity, while lowering ownership and operating costs.

Komatsu Australia was a Platinum sponsor for this event and our sponsorship included the Thursday night dinner — themed 'Moulin Rouge' with French influenced dancers exploding in centre stage at Doltone House to perform the 'cancan' and other exciting numbers.

In addition the String Angels – three world renowned violinist's played the classics and enchanted the audiences with their dynamic and sophisticated act.









## KOMATSU INTRODUCES "CUSTOMER FIRST" PROGRAM



Pictured Above: Chris Cassettari, Komatsu Australia Director **Operations** 

#### Komatsu Australia has introduced a "Customer First" program, with the primary aim of ensuring the company is at all times able to respond more effectively to the needs of its customers.

The new program, which has been rolled out in the past couple of months, will improve the company's processes to ensure it always best meets customers' needs, according to Chris Cassettari, Komatsu Australia's Director, Operations.

"Our Customer First program is designed to ensure the bestpossible processes, improving communications and transparency in our dealings with customers and providing them with more effective, more responsive and faster levels of customer service," he said.

#### "What will this mean for Komatsu customers?

"It will mean better communications, so that we respond more quickly to customers who are requesting quotes, prices or parts and service availability.

"It will mean customers are always kept fully informed as to the progress of any servicing or repair jobs we are carrying out for them - with timely, accurate information as to when they will be completed, and early advice of any variations that may impact on delivery dates, scope of work or price.

"It will mean customers can have full confidence in Komatsu Australia to quote on a service, repair or parts/ component replacement project quickly, accurately and in a consistent manner," Chris said.

As part of its Customer First program, Komatsu Australia is adding more people in its Operations department, which covers customer support, service, parts, warranty and related

This includes appointing a team of customer service managers, as well as additional service technicians, technical trainers, parts planners and customer focussed service and support personnel.

"As well as this, we're investing in additional training for our Operations people, to ensure that they are best able to meet the demands of our customers," said Chris.

"We're also expanding our branch network throughout Australia and New Zealand, including extended support capabilities, and we're about to establish a third Condition Monitoring Service laboratory in Newcastle. NSW to serve the Hunter and NSW regions."

As part of the Customer First program, Komatsu Australia is also introducing a Customer Support Charter, under which it formally outlines just what customers can expect from the company - and measures how well it is delivering its service and support offerings.

The Komatsu Customer Support Charter applies to all customer interactions, said Chris.

"The charter sets out our customer support principles, and what our customers can expect from us in terms of support, across all processes, from pre-sales, during the sales process, to once a customer has purchased from us and for as long as they own a Komatsu machine or use a Komatsu service," he said.

"It covers elements such as committing to rapid responses to questions and inquiries, ensuring customers are kept fully informed at all times as to the status of a machine, a repair or delivery of a spare part, through to follow up after machine delivery or a major service.

"It also includes a 'no surprises'

approach to quotes and estimates, so that we will never proceed with a job before we have confirmation from a customer, and that if there is a change in the scope of work required, the customer is fully informed and approves that change before we continue," Chris said.

"A key element of the charter is that it will allow us to benchmark our customer support levels, so we can measure what we are delivering, and see where we need to improve.

"And for our customers, it will create a 'single face' of Komatsu, so we will always deal with them in a professional and consistent manner."

Chris said the charter had been defined by specific philosophies and standards developed by Komatsu Australia, and which would apply to all its dealings with customers. These were:

- Speed We want to make it guicker for our Customers to work with Komatsu.
- Simplicity We want to make it easier for our Customers to deal with Komatsu.
- Consistency No matter who in Komatsu our Customers talk to they should receive the same high level of Customer support.
- Reliability We want our Customers to know that they can count on Komatsu to do what we say we will do.

"We have developed a common set of standards, based around our Customer Support Charter commitments, which give our people a tangible and clear direction of what is required," said Chris.

"These standards can implemented and supported through specific training and then be measured through relevant key performance indicators and surveys of our customers."

Chris said the Customer First program, and the Customer Support Charter, had been developed following an extensive survey of customer satisfaction with Komatsu Australia's levels of service and support.

"Our customer survey showed that while we score very highly with overall customer satisfaction across a wide range of areas with many customers, our customer satisfaction levels are inconsistent and we have room for improvement." Chris said.

"The Customer Support Charter is also recognition that, in order to improve customer satisfaction, we firstly need to clearly define our Customer Support Standards.

"Our Customer Support Charter allows us to define the standards that will enable us to maintain and deliver the highest standards of customer support," he said.

"Ultimately, we aim to deliver levels of service and support that exceed our customers' expectations."

Mark O'Brien, Komatsu Australia's Service Systems Manager, is responsible for rolling out the Customer Support Charter, and implementing it throughout Australia, New Zealand and New Caledonia.



Pictured Above: The new Komatsu Australia Customer Support Charter.

# MODULAR RELEASES NEW MINE PRODUCTIVITY SYSTEMS AT MINEXPO

Modular Mining, a division of Komatsu Ltd, launched a range of new mine productivity systems at the international mining exhibition MINExpo 2008, held in Las Vegas in September.

These included Modular Mining's ShiftBoss™ mine production tracking system, the RoadMap™ position and safety tracking system, and the IntelliMine® NextGen product suite.

The ShiftBoss™ system gives customers a paperless solution to manual production tracking, a completely automated process that requires no one in the control room.

Modular's RoadMap™ system is

designed to address the issue of safety and light vehicles on-site, by monitoring light vehicle positions and providing real-time awareness of changing conditions to visitors and site personnel.

Modular also used MINExpo to showcase the IntelliMine® NextGen product suite, which included the DISPATCH®, MineCare®, and ProVision® systems, along with new mobile platforms.

According to the company, IntelliMine® NextGen addresses aspects of mine safety, monitoring, optimisation, analysis, and asset health.

Customers using the suite have access to state-of-the-art fleet management, maintenance, safety, and communications technology.

Modular Mining can also supply MineCare® Maintenance Management System.

Modular customers rely on the MineCare® system to reduce down time, as well as maintenance and unit costs, through real-time equipment health management. Remote condition monitoring, maintenance history, and operational data are all integrated, providing maintenance teams with information critical to reducing equipment failure.

Below are two specific examples of failures that were prevented on customer sites using the MineCare® System.

#### Failure 1:

Date: 7/3/2008

Data: Receiving High Exhaust Temperature (left & right) in Event

Handling

Knowledge: Reviewed snapshot; found both exhausts were high; dispatched field mechanic confirmed that there were two bolts missing on the exhaust and there was a 1/2 inch gap on the left turbo; truck was sent to the shop for repairs

Result: Conservative: Prevented

turbos from failure and contamination in after cooler *Extreme:* Prevented engine failure Realized Savings: \$209,037 + 48

hrs of down time

#### Failure 2:

Date: 7/17/2008

Data: Receiving "Abusive Shift"
Alarms in Event Handling
Knowledge: Eveninged spansher

Knowledge: Examined snapshot and diagnosed event as "Operator Induced"; discovered operator had bucked load off at dump; contacted operator and explained the cause and effect of Abusive Shift; operator had not known reason causing alarm; coached and counseled operator; logged event in Operator Induced file

Result: Conservative: Recognized and proactively amended operator's hazardous behavior

Extreme: Prevented transmission failure

Realized Savings: \$35,598 + 24 hrs down time

For further information on any Modular products please contact Carl Ross, +61 2 4352 5711 or ross@mmsi.com ■



## **LOOKING FORWARD AS WE FACE UNCERTAIN TIMES**

As all readers of D2E would know, the global and Australia/ New Zealand economies have fallen on uncertain times in the wake of the melt-down in financial markets in the US. which then quickly spread to the rest of the world. So what does this mean for Komatsu customers and the industries we service? In this special 50th edition of D2E, we look at what the future may hold, and where Komatsu Australia stands in this.

While at times the news appears relentlessly gloomy, it's important to realise many of the fundamentals in the Australian economy are very positive.

Our government and reserve bank are in the fortunate position of having plenty of room to move, while our financial institutions remain strong.

For example interest rates have been at significantly higher levels than other major economies, so they have a way to come down and we have already seen some surprise reductions, with more being forecast.

In addition, a large surplus built up over the past decade and more provides opportunities to increase spending on public works and infrastructure - many of which are substantially overdue after years of underspending on construction and maintenance.

The federal government has announced its intention to increase investment in infrastructure, including bringing forward some planned spending to offset the effects of the predicted slowdown in our economy's growth rate.

We saw the first of this in evidence in mid-November, when Prime Minister Kevin Rudd announced \$300 million was being made available immediately to local government to spend on works already approved and ready to go.

Developments such as these have the potential to impact positively on contractors, plant hirers and local government uncertain about the future and their future job prospects.

They have been welcomed by the

majority of commentators, who believe that this sort of "pump priming" approach is appropriate for this economic climate.

Opinion remains divided as to whether Australia will go into recession (New Zealand, unfortunately, is already there), but the consensus is that even if Australia does experience two quarters of negative growth, it will be relatively short.

So what are the forecasters saying? Some key points from recent forecasts from Australia's leading economic analysts include the following:

Mining investment will hold for the next few years at least as we complete the current round of projects. The issue now is how much of the next round of projects will proceed and this has implications for investment and growth in 3 to 4 vears time. - BIS Shrapnel, Economic Outlook report, October 2008

[With interest rates falling] most homeowners will still be able to cover their mortgage payments and, consequently, given strong pentup demand for housing, sharp falls in house prices are unlikely. Once the situation stabilises there is a significant housing upswing waiting in the wings. - BIS Shrapnel, Economic Outlook report, October 2008

Engineering construction activity (roads, dams, railways, pipelines, ports, etc) is expected to remain resilient through the current financial turmoil. - BIS Shrapnel, Economic Outlook report, October 2008

The mining sector in Australia is set to grow by an astonishing 36.6% in 2008-09, reaching \$182.7 billion, hardly the sign of an industry on the rocks. Continuing demand from booming Asian economies and a falling dollar are set to counteract any drop in commodities prices that is set to occur. Individually, mining industries appear to be quite comfortable, investing heavily in new mines and other capital, in anticipation of a renewal of strong growth as commodities increase in value in 2010-11. - IBISWorld, October 2008

Today we are building the same amount of new homes that we did in 1975 and this is despite record immigration levels of around 180,000 per annum. Simply, State governments have not done adequate planning, released enough land or made it easier for developers and builders to create new housing estates and dwellings. - IBISWorld, November 2008

Residential building [has been] weak in 2008/09 due to low consumer confidence, but will begin to recover from 2009/10. By 2009/10, residential building will pick up, with strong growth of 7%. – Construction Forecasting Council, November 2008

Perhaps Phil Ruthven of IBISWorld, in his November Insights column on the IBISWorld website puts it best into perspective:

We may not be economically and financially bullet-proof here in Australia, but we are possibly the best placed in the OECD. All of our banks are triple A rated, our government has virtually no debt and has money in the bank, and we have the serendipity of a mining prices boom. Our businesses have conservative and manageable debt/ equity ratios, and less than 5% of our households are debt-servicing stressed (mortgages, more than credit card or personal loan debts).

Sean Taylor, Komatsu Australia's general manager, construction, points out that opinion is quite mixed on the outlook, but overall the prospects for the Australian economy and the construction sector as a whole are not nearly as gloomy as for some other sectors.

"Many commentators have pointed out that as much as anything, the current global financial situation is as much a crisis of confidence as anything else," he said.

"While it would be irresponsible to try to 'talk up' the situation when there are no grounds for doing so, in Australia we are in a very strong position when it comes to the economic fundamentals.

"Our customers would be well advised to take a conservative approach to their businesses in the months and vears ahead - but their decision to opt for Komatsu in the first instance is an important move in surviving and thriving in any economic conditions," said Sean.

"To begin with, they are dealing with a very strong company financially, with enormous reserves - and one that is fully supported by our Komatsu Ltd parent.

"That gives us the backing and resources to continue supporting our customers throughout any downturn - and they know that we will still be there to support them next year, and the year after that - and beyond.

"In addition, our major commitment to our customers over the past few years has been to drive down their costs of doing business, through investment in industry-leading technology, delivering reduced fuel consumption, increased reliability, lower maintenance and repair costs, and lower whole-of-life operating costs," he said.

"That commitment to reducing the costs and risks of doing business by using Komatsu equipment has delivered higher profits to our customers during the boom times we've enjoyed over the past 10-15 years, and will help ensure our customers remain profitable and viable during any uncertainty over the next couple of years.

"Our customers can be assured we will be here to stand beside them and support them throughout the economic cycle," said Sean.



Pictured Above: Sean Taylor, Komatsu General Manager Construction

# HIGHLY SUCCESSFUL LOGOV EXPO SHOW IN QUEENSLAND

Komatsu Australia recently had a highly successful presence at the biennial Logov Expo at Meakin Park, Logan City, Queensland in early October.

Equipment on display included a GD655-3 grader, a WA320PZ-6 toolcarrier loader, PC138US-8, PC78MR-6 and PC40MRX-2 excavators, a PC14HS-3 excavator on a trailer, an SK820-5 skidsteer, WB97S-5E0 and WB97R-5E0 backhoe/loaders and the Triple Eight V8 Supercar racing car.

Logov 2008 was run in conjunction with the IPWEA state conference hosted by Logan City Council, with delegates to the conference attending the exhibition as a part of the program.

Komatsu hosted the IPWEA river cruise and dinner on the Monday night — a very good event with positive feedback from customers over next couple of days, according to Phil Atley, Komatsu Australia's Manager, Major Accounts and Government Sales for Queensland &

the Northern Rivers region.

"We had a tremendous amount of interest in our stand, particularly the Triple Eight V8 Supercar – which was ideal timing with the Bathurst 1000 on the same weekend.

"We ran a competition for Triple Eight race gear, jacket, hat, polo shirt, where visitors to the show had to get information on Komatsu equipment displayed on the stand

"This was won by Ashley Croonen from Logan City Council," he said.

According to the organisers, the even attracted around 6000 visitors from Queensland and Northern NSW.

"Local government people and engineers were keen to come and talk to us about what Komatsu are able to offer them."

"These two events were probably the best attended that we have been to for some time and our efforts are definitely paying off," said Phil.





# TRIPLE EIGHT SUPERCAR TEAM CONTINUES WINNING **RUN WITH BATHURST AND INDY VICTORIES**

The Triple Eight V8 Supercar TeamVodafone team - which includes sponsorship by Komatsu Australia - is continuing its winning run with some stunning victories in the recent Bathurst 1000 and Gold Coast Indy races.

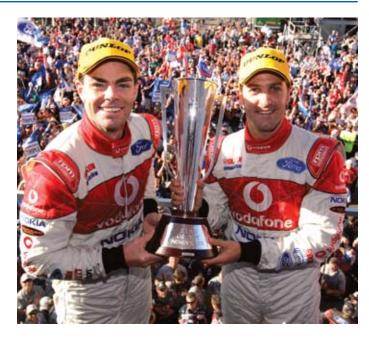
Craig and Jamie won the Bathurst 1000 at Mount Panorama in early October for the third year in succession - only the third driver pairing in the history of the iconic event to win three consecutive titles. They are also the only combination to have claimed the Peter Brock Trophy since its inception in 2006.

Then only two weeks later, Jamie enjoyed a perfect race weekend in making a clean sweep of the V8 Supercars Coffee Club Challenge at

the Nikon Indy 300 on Queensland's Gold Coast.

The round win is the 10th of his career and his fourth this season, and sees Jamie further extend his lead in the closely fought drivers' championship. This result, combined with teammate Craig Lowndes' sixth overall for the round, also sees TeamVodafone take the lead in the V8 Supercar Teams Championship.

In early November, the two drivers dominated the Gulf Air Desert 400 in Bahrain with Jamie and Craig recording their first ever one-two in qualifying before going on to finish first and second in the opening 32-lap V8 Supercar race. ■



# **KOMATSU RELEASES NEW RANGE OF MERCHANDISE** - "THE COLLECTION"

Komatsu Australia is proud to release a new line of quality and stylish merchandise covering clothing, sportswear, bags and accessories outlined in a new catalogue, Komatsu "the collection".

The new Komatsu merchandise collection features a new modern and smart look, creating a professional appearance, updating the company's

corporate identity and promoting new comfortable designs.

All products in "the collection" are of the highest quality - matching the quality of Komatsu equipment and support.

Komatsu has included new exciting sections to cater for all our customers - these include the racing range, leisure and lifestyle

wear, urban living, Komatsu golf and accessories.

The Komatsu merchandise items can be ordered online by visiting Komatsu Australia website at www. komatsu.com.au and clicking on the Komatsu World tab which will lead you to the 'merchandise' link or free call 1800 509 249 to directly place your order to one of the customer service operators.





# **DOWN TO EARTH CUSTOMER SURVEY RESULTS**

We had very pleasing results to the recent Down to Earth Survey and received very enthusiastic and guided responses to the questionnaire.

Congratulations to our Down to **Earth Survey winners:** 

**First Prize:** Peter Cox, VIC

**Second Prize:** Trevor Hall, Dunedin, NZ

Third Prize: **Darren Hickson, QLD** 



# **SCOTT BERRY, NATIONAL UNDERCARRIAGE MANAGER**



Komatsu Australia has appointed Scott Berry as its Manager, **Undercarriage** Sales **Business Development.** 

In this position, Scott is responsible for both genuine Komatsu genuine undercarriage as well as Berco undercarriage products as a quality alternative undercarriage for non-Komatsu equipment.

"My role is to increase Komatsu's undercarriage business, through developing strategies to value-add our undercarriage offerings to our customers," he said.

"This includes ensuring our customer support and new equipment sales representatives are fully aware of the wide range of undercarriage solutions we can offer for both Komatsu and non-Komatsu equipment owners, giving them the information and tools they need to communicate this to customers.

"We are able to offer the market a unique mix of genuine Komatsu undercarriage, along with Berco's high quality undercarriage range – allowing us to provide a complete undercarriage solution to all customers.

"In addition, our undercarriage offering is backed up by the most comprehensive distribution, support and service network across Australia and New Zealand - meaning we can provide solutions to drive down customers' costs of owning and operating crawler equipment," he

Scott, who joined Komatsu Australia in his new role in late August this year, has many years' experience in the construction and related industries.

His initial training was as a diesel mechanic, working in the construction and agricultural sectors.

He worked with a major equipment supplier for a number of years, initially as a fitter before moving up through various roles, and finally taking on responsibility for managing maintenance contracts.

Prior to joining Komatsu, Scott worked for five years with another major supplier of construction and agricultural equipment, in product manager roles as well as looking after GPS-based machine control system implementation on broad acre farming equipment.

During this time, he also undertook a Graduate Diploma in Business Administration at SGSM based at the University of Western Sydney.

"My experience and training during my working life in the construction and related industries has given me an excellent grounding for this new role at Komatsu, and I look forward to the challenges and opportunities ahead," Scott said.

# **ROBIN BARKLEY, NZ NATIONAL PARTS MANAGER**



Robin Barkley has been appointed as Komatsu New Zealand's National **Parts** Manager, responsible for all parts for Komatsu products coming into NZ, then distributing them to the company's eight branches and six Service Partners around the country.

These parts come from Komatsu Ltd's factories, manufacturing centres and warehouses throughout the world, and are sourced from Japan, US, Europe, Asia and Australia.

Robin served his apprenticeship as a sheet metal fabricator in Ireland and before coming to New Zealand was working with Rolls Royce's Aircraft Division in the UK.

He first got into the parts business with Subaru NZ, where he was national parts manager for six years before joining Bridgestone Tyres as NZ retail manager, a position he worked in for two years.

"However, I missed the people and the complexities of the parts business and when this opportunity at Komatsu came up, I jumped at it," said Robin.

He said that over the past few years, Komatsu NZ has seen very rapid growth in its parts business, well into double digits.

"Even with the downturn in recent

months, it remains a very healthy business, and we don't expect it will decline significantly. Komatsu NZ's parts business is in very good shape.

"The earthmoving parts business is very competitive, particularly with the availability of alternative parts sourcing via the internet today, and so our customers have plenty of other options," said Robin.

"However, we are able to offer warranties on all our parts - which alternative parts suppliers cannot do - plus we are able to hold very good stock levels in our stores throughout New Zealand, so customers are able to source parts quickly.

"We are also building up our stocks of parts held in our three South Island branches, ensuring that we have the right parts available to suit our customers throughout the South Island," he said.

"For example, we have recently substantially increased our holding of parts at our Westport branch to ensure we are much more responsive to the needs of our customers at the Stockton mining operation, as well as those in the surrounding region.

"That will mean the parts availability for our West Coast customers along with others throughout the South Island - will improve no end."

A key element of Robin's role is to ensure the company's parts business is even more customer focussed, offering more promotional campaigns, special pricing offers on parts and services, to increase its parts profile and customer awareness of what Komatsu NZ can provide.

"In terms of parts availability, we are aware there is always room for improvement, but we do have a good supply rate, and we are able to act significantly quicker than our parts competitors as we have the ability to bring in parts quickly from our Australian operations if they are not available in NZ," he said.

#### Hi Komatsu Kids!

Come and visit us at Komatsu!

Go to www.komatsu.com.au and click on the tab Komatsu World where you'll find the Komatsu Kids link.



So who's world will you enter first?



Matt has made a family album of Komatsu's machines. Let's have a look and learn about the Komatsu family of machines!



We look forward to you visiting us! **Kim, Matt and Sue!** 

Kim likes to look after the environment, and teaches her friends how to look after it too. Let's learn about the environment!



**Sue** has created lots of fun games and activities for you to try. Test your skills at find-a-word, crosswords, mazes and art and craft. Let's have some fun!



#### **ONLINE COMPETITION!**



Visit: **www.komatsu.com.au** and click on the tab Komatsu World where you'll find the Komatsu Kids link and tell us what creative name our friend the excavator should be called! The best 5 entries will win a Komatsu Kids pack! Entries close 27 February 2009. The winning name will be posted in our next issue! Put those thinking caps on!





www.**komatsu**.com.au



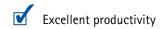
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#### Technically-advanced mining dozers offer:



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