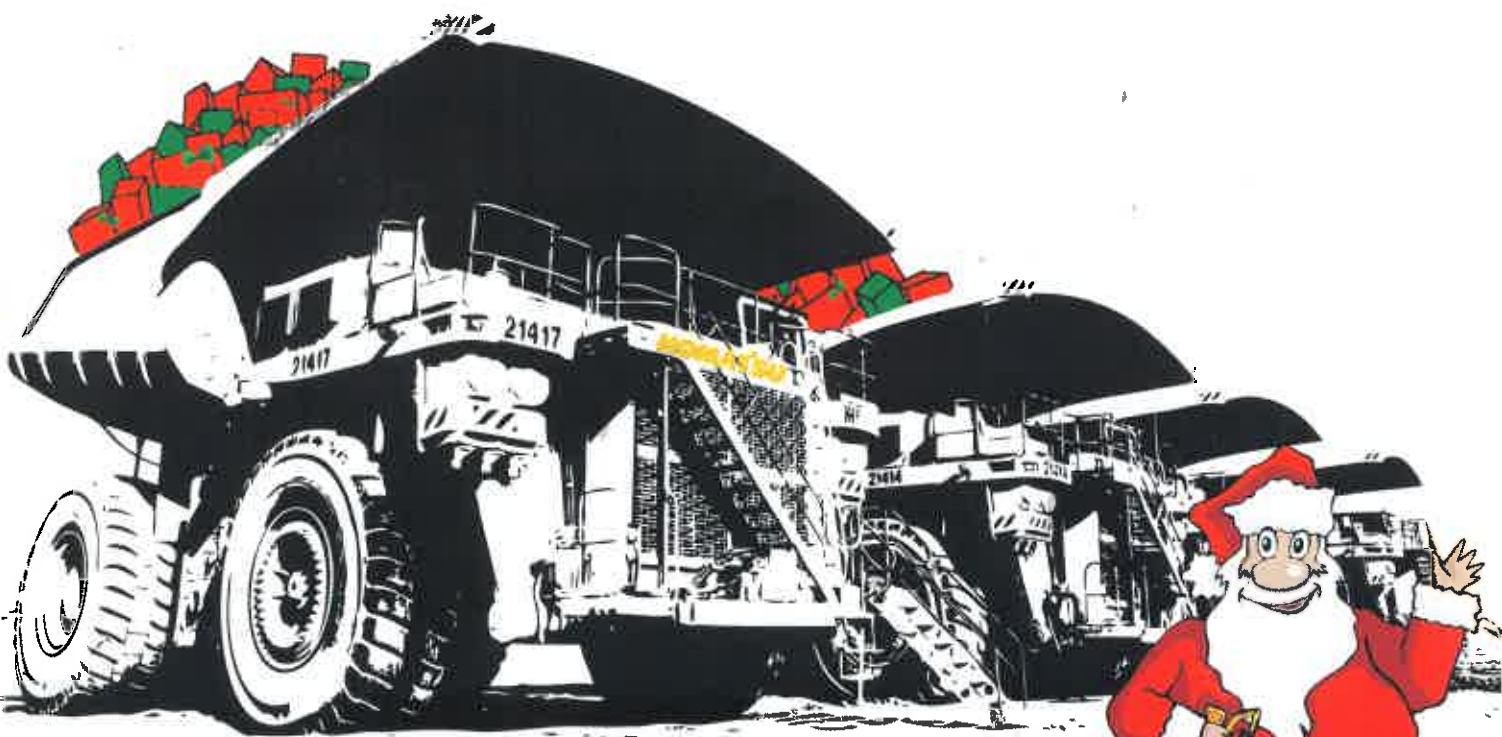


D2E

» DOWN TO EARTH MAGAZINE

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SEASON'S GREETINGS

IN THIS ISSUE

- » NEW WA600-6 OUTSPECS THE FIELD
- » PORT OF BRISBANE'S AWARD-WINNING PROJECT
- » BIG KOMATSU ORDER FROM MUSWELLBROOK COAL

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KOMATSU COMMENTS



Bill Pike
 Managing Director
 Komatsu Australia Pty Ltd

Recently at the 2005 National Construction Exhibition (NCE) Komatsu unveiled the new DANTOTSU (Japanese for "unique and unrivalled") philosophy and Komatsu is indeed unique and unrivalled in so many ways: in the quality of our equipment, in our service and support, in the people we have working for us.

This is about delivering value-add to our customer base. Our job is to make your job easier.

The key to managing this business in Australia is providing end-to-end service, value add and continuous improvement through both internal and external processes.

Today the market place is

looking for the full package from Komatsu. We are a truly national organisation. We have the full range of products in construction, quarrying and mining. We have full aftermarket service and we provide unique and unrivalled products into this market from around the world.

It is absolutely essential for our business and I think for all businesses in Australia to invest in new processes and new systems. We've taken the world's best technology, the best business processes, and put them together with our own people, our own customers.

Despite the expected difficulties associated with the implementation of our new ERP platform we have achieved

remarkable results in a very short time.

Through the hard work and determination of our very committed staff we have reached a point where we can be comfortable with the day to day management of our business through the use of these systems - thank you to all who have made this possible.

Our mission is now to deliver to this country the best service that has ever been developed in our industry.

We look forward to being of service to you and thank you for your continued support.

I would like to wish our customers and staff a very happy and safe festive season.

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CONTRIBUTORS

Editor
Wafaa Ghali

Copywriter
Mark Cherrington
Construction Communications

Graphic & Layout Design
Khadijeh Moosavian

Printed by
Colanco Printing
Smithfield, NSW

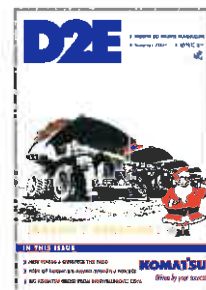
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Front Cover

Season's
 Greetings from
 Komatsu
 Australia.



ecot3



NEW WA600-6 LOADER OUTSPECS THE FIELD

Komatsu's new WA600-6 loader, which outspeccs competitive machines in every key specification, was launched at Sydney's National Construction Exhibition in November.

The new loader, which replaces the popular WA600-3, is powered by Komatsu's new ecot3 Tier 3-compliant series engine for increased fuel efficiency and reduced emission levels, and features a significantly larger and more

comfortable cab with greatly reduced noise levels.

It incorporates Komatsu's closed-centre load sensing (CLSS) hydraulic system - the same proven hydraulic system used on Komatsu excavators for the past 15 years - to further reduce fuel consumption by precisely matching loading and steering performance to the application and materials.

With an operating weight of 52.4 tonnes, it takes a standard bucket size of 6.4 cu m and is

powered by a Tier 3 compliant Komatsu SAA6D170 engine rated at 392 kW. Bucket breakout is 35,550 kgf, rimpull is 43,800 kg and bucket clearance is 4270 mm with standard lift arms - sufficient to load an HD465 (60 tonne) class dump truck without the need for a long-boom option.

Other key features include:

▶ A newly designed drivetrain with large-capacity torque converter for optimal efficiency and an unparalleled initial

rimpull-to-weight ratio, giving easier material penetration

▶ High-torque engine and large-capacity torque converter, allows better matching of the engine and drivetrain, particularly at low engine speeds

▶ Dual-mode engine power settings, combined with an automatic transmission with a mode-select system, for lower fuel consumption

▶ 15% more cab space and



11% better visibility compared with the WA600-3, with noise levels at the operator's ear of 72 dBA - up to 5 dBA lower than competitive machines

- ▶ A modulated clutch system to reduce tyre slippage and allow smoother speed reduction when approaching trucks
- ▶ Komatsu's Advanced Joystick Steering System (AJSS), a low-effort "feedback" steering system, allowing steering and forward/reverse selection to be carried out by wrist and finger control
- ▶ Low-effort finger-controlled levers for boom and bucket operation
- ▶ Stronger, more robust loader frame and components, giving longer intervals between rebuilds, longer life and lower repair and maintenance costs.

According to Charles Wheeldon, Komatsu Australia's national business manager, quarries, the new WA600-6 represents a major step forward in quarry loader technology.

"For a number of years, our WA600-3 loaders have been recognised as the leading quarry loaders on the market; now with the release of the WA600-6 and its Tier 3-compliant engine, Komatsu has leapfrogged a generation to produce the Dash 6 model," he said.

"It incorporates a number of unique features, based around our fuel-efficient new ecot3

engine, proven fuel-saving CLSS hydraulic system and redesigned power train, resulting in a loader that delivers unrivalled performance while using less fuel.

"In terms of digging ability, engine power, weight and overall productivity and fuel

efficiency, it outperforms all competitive machines in this class of loader," said Charles.

"At the same time, it's a quieter machine that's more comfortable to operate and easier to drive, meaning operators are less stressed and more relaxed at the end of a shift."

Key specifications of the new WA600-6 are: Operating weight, 52.4 tonnes; engine, Komatsu SAA6D170 Tier 3 rated at 392 kW; bucket capacity, spade nose, 6.4 cu m; bucket breakout, 39,500 kgf; static tipping load, full turn, 28,500 kg; dump clearance, standard boom, 4270 mm.



BORAL QUARRIES TAKES FIRST WA600-6

Boral Country - Concrete & Quarries has purchased Australia's first WA600-6 wheel loader, for use in its Seaham Quarry, north of Newcastle. The quarry is moving from an excavator-based operation to a

wheel loader operation, and the WA600-6 replaces the excavator previously used there. Pictured with the machine prior to delivery is David Young, general manager of Boral Country - Concrete &

Quarries (NSW), checking out the new loader on Komatsu Australia's stand at the National Construction Exhibition.



Ford Civil's PC228USLC-3 fitted with a cutter wheel carrying out rock trim work at Point Piper

RELIABILITY ESSENTIAL FOR DIFFICULT SYDNEY HARBOUR PROJECT

Family-owned Ford Civil Contracting has been operating in and around Sydney for 35 years. In this time it has developed a reputation for completing tough and challenging construction projects - with one of its most recent being the excavation work on a stunning Sydney harbourside residential development at Point Piper.

On this project, for the construction of eight luxury apartments on a steep embankment overlooking Double Bay, Ford Civil has been using a Komatsu PC228USLC-3 fitted with a cutter wheel for rock trimming (and greatly

reducing noise to nearby residents, compared with using a hammer).

A second Komatsu excavator, a PC138US-2, was used to feed excavated material to a kibble bucket, which was lifted by a tower crane to tip trucks in the driveway for cartage off-site.

When complete, the project will include a 25 m deep car lift and a 40 m long double-deck tunnel to give residents access to the under-building parking area.

All the equipment went in at the top of the site, and was to be barged out at the completion of the project - scheduled to be just before Christmas.

According to managing director Stuart Ford, equipment reliability is essential on such high-profile projects.

"You don't send a machine down a 25 m deep hole in the middle of Sydney unless you are totally confident of its reliability and ability to do the job.

"I've been through three generations of Komatsu machines and I am more than confident in sending them down holes where we know they could be locked away for two or three months," he says.

"That's a compliment you don't hear very much in this industry.

"Using new, well-serviced Komatsu machines, with under five or six thousand hours, I can count the number of hours of downtime on my two hands. I have no problem with Komatsu reliability, and it is getting better and better," said Stuart.

"Availability is the key. You can do deals with people and then find they can't perform or supply. When I make a decision, I want it there and then. I don't want to have to wait a month or two," said Stuart.

"What I have found with Komatsu is that its people are goal-driven to be there when

you want them and to be reliable.

"I have an excellent relationship with the Komatsu people. This relationship has grown over the last decade and they certainly try to understand our business," he said. "Anyone who goes to that extent to meet our needs gets my vote.

"Komatsu's service and support has really developed over the past 10 years. I believe it is now driven to be proactive and focused on customer satisfaction."

Managing risk is the key component of Stuart's job.

"The most important thing I can do in today's climate is manage and minimise risks to the company," he said.

"Looking after my staff is another key responsibility. If I treat them fairly and expect the best from them, they seem to pass the respect on to our clients, their workmates, our suppliers, other contractors and any subcontractors who we may be working with.

"I gain a lot of pride from seeing our employees take on responsibilities and show pride in themselves, the jobs they do and in the company."

Safety is a core element of the company's philosophy, said Stuart.

"It is vitally important to ensure we have a safe and efficient site. If you achieve this, everything else seems to take care of itself."



Stuart Ford, Managing Director of Ford Civil Contracting.



Ford Civil's PC138US-2 was used to load excavated material into a kibble for removal off site.

LATEST MR-2 EXCAVATOR HAS EXPANDING UNDERCARRIAGE

Komatsu Australia's utility division introduced the PC18MR-2 excavator at NCE 2005 - the latest in its range of popular MR-2 short-tail mini excavators - and featuring an expanding undercarriage for easier access to confined worksites and greater stability in operation.

As with others in Komatsu's MR-2 range, the PC18MR-2 features an extra-large, comfortable operator's space, and a tilting upper body that provides ready access to key components for easy maintenance.

It incorporates an expandable undercarriage - from 980 mm to 1300 mm wide - allowing it to access confined spaces (including through a standard doorway), then widen the track gauge for increased working stability.

The PC18MR-2 is powered by a Komatsu 3D67E-5 engine rated at 11.2 kW and has an operating weight of 1860 kg.

Maximum digging force is 1622 kg, and drawbar pull is 1705 kg.

The cab/canopy space has been significantly enlarged due to a new, two-post certified ROPS structure, giving an operator's space equivalent to a much larger machine.

This allows the operator to enter and exit the machine from both sides, while visibility is greatly increased to enhance productivity and safety.

The excavator also has a neutral engine start system to eliminate accidents caused by sudden movement of the upper structure at start-up.

Hydraulics on the PC18MR-2 are based around Komatsu's patented HydraMind hydraulic system, a pressure-compensating CLSS system that ensures each actuator works according to its control input regardless of the size of the load - and based around the same technology used on Komatsu's larger construction



and mining excavators.

This ensures the operator has precise control at all times.

For simplified maintenance and serviceability, the PC18MR-2 has a forward-tilting operator's compartment for easy access to hydraulic components, plus

fully opening engine and side covers for routine maintenance and service.

The PC18MR-2 joins others in Komatsu's short-tail mini excavator range, including the, PC20MR-2, PC30MR-2, PC35MR-2, PC40MR-2 and PC50MR-2.

KVX GET EXTENDED TO CONSTRUCTION



Komatsu's range of K VX teeth and ground-engaging products, renowned for its performance in tough and abrasive conditions has - as with the Hensley XS range - been extended to construction-sized products.

K VX, has been typically used in

mining and quarrying applications in Australia and NZ, where particularly hard or abrasive rock may prove too much for conventional GET systems.

The K VX system is based around the use of an extremely hard and abrasion-resistant wear plate, combined with teeth of a similar material that bolt directly on to the bucket lip.

Both teeth and bucket lip are made of Norwegian-developed Sagitta steel which has a hardness of 500-600 Brinell, compared with conventional teeth and edges which have a hardness of around 80 Brinell, according to Komatsu Australia's K VX product specialist Chris Guntner.

"This bucket lip is welded

directly into the front of a standard bucket, and because the teeth are bolted directly to the lip, using very highly torqued bolts, there is no need to use tooth adapters," he said.

"This significantly increases the amount of wear material available and eliminate adapter-related problems.

"With a conventional system, the teeth have to be replaced or turned before wear reaches the tooth adapters; with the K VX system, the teeth can wear almost all the way to the lip.

"At this point, the worn teeth are simply rotated, and the section of tooth which was previously lying along the bottom of the bucket becomes the new ground engaging element," said Chris.

"During use, the K VX teeth naturally wear to a high-penetration point, so penetration and breakout remains extremely good throughout their life."

For construction equipment applications, bolts can be quickly torqued with a variety of inexpensive mechanical tooling options, while various hydraulic tools are required for larger quarry and mining equipment.

The Norwegian-based K VX became part of Komatsu Ltd in 2000.

In Scandinavia, renowned for its tough digging conditions, K VX products are widely used on utility and construction equipment - and its popularity is spreading rapidly in markets around the world.

NEXT GENERATION EXCAVATOR TECHNOLOGY UNVEILED

ecot3



Komatsu Australia unveiled its next generation of excavator technology at the 2005 National Construction Exhibition in November, with the showing of its forthcoming PC200-8 excavator.

Due for release in Australia during 2006, the PC200-8 will offer a number of advances over Komatsu's Dash 7 excavator range, including even better fuel efficiency, an ultra low emission Tier III-compliant engine, lower noise levels and luxury car standard cab comfort.

The forthcoming PC200-8 will have an operating weight of 19.4-21.46 tonnes (depending on configuration) and will be powered by Komatsu's new ecot3 Tier III-compliant SAA6D107E-1 diesel rated at

110 kW.

Highlights of the new excavator include:

- ▶ Fuel consumption reductions of up to 10%
- ▶ Engine meets US Tier 3 and European Stage 3A emissions regulations, without sacrificing power or productivity
- ▶ A dedicated excavator cab incorporating a pipestructured framework, providing high durability and impact resistance with very high impact absorbency
- ▶ Noise levels reduced by a further 2 dBA compared with the Dash 7, combined with a redesigned cab with increased internal space, providing operator comfort levels equivalent to a luxury car

▶ Easy-to-see large LCD monitor, with improved screen visibility through use of TFT liquid crystal display, allowing on-going monitoring of all machine functions, with early warning in the event of any malfunctions, and touchscreen selection of different operating modes

▶ "Eco-gauge" display helps reduce fuel consumption by indicating operations which burn more fuel, while an extended idle caution alerts the operator if the machine is idling for more than five minutes.

Angus Fotheringham, Komatsu Australia's national business manager for construction excavators, said the forthcoming PC200-8 was an indicator of what was to come in Komatsu's DANTOTSU

(unique and unrivalled) product line up.

"Our unique ecot3 lowemission engine series sets new benchmarks in reduced pollution levels, combined with improved fuel consumption - as shown by the fact that the PC200-8 will deliver 10% better fuel efficiency than its Dash 7 equivalent," he said.

"When you consider that our Dash 7 machines already have a strong reputation as being market leaders in fuel efficiency, the further savings we will be able to offer with the forthcoming Dash 8 machine are unrivalled.

"At a time of increasing fuel prices, this is a key factor in helping keep down operating costs," said Angus.



Main photo: Muswellbrook Coal's PC3000-6 excavator. Another has just been delivered, and will be commissioned in January.

MUSWELLBROOK COAL UPGRADES WITH KOMATSU



Muswellbrook Coal, in the Upper Hunter Valley of NSW, has opted for Komatsu equipment as part of a major fleet upgrade.

In mid 2005, it took delivery of a PC3000-6 mining excavator and two D475A-5 dozers, and is in the process of commissioning a second PC3000-6, which will go to work early after Christmas.

The mine has had a long relationship with Komatsu Australia; in 1996-97 it purchased 11 730E dump trucks, the first of these delivered in the world. These trucks are still going strong, and have now logged an average of 30,000 hours with no major problems.

The latest deliveries also include a number of firsts, including the first use of Hensley XS teeth on large mining excavators, and a GPS-based safety system.

Muswellbrook Coal's initial PC3000-6 was the first application of Hensley's XS GET on this sized excavator in Australia. The first set was changed in early December after notching up 1600 hours - giving about 50% longer life than previous-generation teeth.

According to Steve Thomson, Komatsu Australia's on-site support and service representative at

Muswellbrook, the life of the teeth in the application at the mine was about 500 hours longer than typically achieved with previous-generation teeth.

"Normally we would expect to change teeth over at around 1000-1200 hours in this application," said Steve. "However, the additional penetration, increased hardness and reduced throwaway material means they delivered about 50% longer life.

Hensley's XS range of GET is suitable for all makes of equipment, from small construction equipment up to very large mining equipment

The XS System can handle applications from loose overburden materials and soils, to blasted rock, to crushed concrete, to highly abrasive materials.

It features Hensley's patented "hammerless" pinning system, which makes for much safer tooth changeover and rotation, and eliminating the need for

heavy hammering.

Instead, a conventional socket is all that is required to unlock and lock the pin fastener. Pins are also re-useable, further reducing consumables costs. The hammerless pin system also drastically cuts tooth changeover time.

In another first at Muswellbrook Coal, the dozers and excavators are fitted with Automated Positioning Systems' GPS-based safety systems which work in with mine survey data, and are designed to inform the operators when they are approaching underground voids resulting from former underground workings at the mine.

Why Komatsu?

Joe Clayton, general manager at Muswellbrook Coal, said there were a number of reasons the mine had opted for Komatsu when it upgraded.

"We've had a very long relationship with Komatsu, going back to the first 730E

trucks we purchased in 1996," he said. "They've been very good, very reliable trucks, and they've meant that Komatsu has always had a good presence on site.

"Another major issue for us was noise reduction. We're only 1500 m from our nearest neighbours, so noise attenuation in our machines is essential.

"Komatsu was able to factory-fit standard noise attenuation kits to the PC3000-6s and D475A-5s, which was a major driver in our decision to go with Komatsu," said Joe.

"On top of that, there is our strong existing relationship in terms of after-sales support and service, and the fact that we now have commonality of fleet across our trucks, dozers and mining excavators.

"In addition, as part of the deal, Steve Thomson is now dedicated solely to servicing this site, which has been a very good outcome for us too," he said.



Muswellbrook Coal has achieved 50% more life using Hensley XS teeth on its Komatsu PC3000-6 excavator

PORT OF BRISBANE'S AWARD-WINNING PROJECT



The Port of Brisbane Corporation's PC300-7 working alongside its D65AX-15 dozer, spreading dredged material as part of the reclamation process. Inset, reclamation manager Jaysen Roach.

Three pieces of Komatsu equipment are playing a major role in the Port of Brisbane Corporation's port expansion project, which recently won one of the Australian civil construction sector's most prestigious awards.

The Port of Brisbane Corporation's Future Port Expansion (FPE) seawall project is part of a major program to increase its facilities from its current nine wharves to 16 wharves.

The FPE Seawall Alliance was the overall national winner in the Civil Contractors Federation's Earth Awards Construction Excellence Category, announced in Sydney in mid November.

The seawall was one of the biggest marine-based projects ever undertaken in Queensland, catering for rapid commercial growth around Brisbane's port

area, through the provision of an additional 230 hectares of land.

According to CCF's judges, the project's alliance style delivery encouraged engineering innovation during planning, design and construction as well as ensuring the Port of Brisbane Corporation's strong environmental focus was retained throughout.

With construction of the seawall complete, the corporation is now reclaiming the land within the seawall to provide extra ship berthing facilities. The reclamation is taking place using dredged material from the Brisbane River using a cutter-suction dredge to pump material into the bunded area.

This dredging and reclamation process to expand the port facilities will occur over the next 15 years in a staged

development.

A Komatsu PC300-6, PC300-7 and a D65AX-15 swamp dozer are engaged in working around the cutter-suction dredge pipehead, spreading out the dredged sand and silt to dry and as part of the "charging" (compaction) process for the reclamation.

Because of this, all three machines are constantly working in wet, salty materials.

The Port of Brisbane has a service agreement with Komatsu Australia to ensure its machines keep running - something which reclamation manager Jaysen Roach said was a major contributor to the decision to purchase Komatsu.

"I think that we and Komatsu have a very good understanding of each others' needs and requirements.

"We are 24 hour, 365 day a year

operation so the service is vital to keep everything running.

"We are working in a marine environment on unstable ground. Our challenge is to minimise the cost per cubic metre of reclaimed land.

"The working conditions are harsh. We need equipment that is reliable and efficient over a long time. It has to be available because I like to get things when we pay for them!

"The Komatsu people do all our regular service and preventative maintenance together with any breakdowns, it is all part of our service agreement. We find them very efficient," Jaysen said.

Established in 1994, the Port of Brisbane Corporation operates Australia's third busiest container port, - a major driver of Queensland's economic development and a significant employer in the Brisbane area.

ALEX FRASER PIONEERS RECYCLING INNOVATIONS

Melbourne-based materials recycler Alex Fraser Group - which has branched out into operations throughout Australia - has pioneered a number of recycling innovations.

And according to managing director Jamie McKeller one of his greatest satisfactions has been the advancing acceptance of recycling throughout the community.

"As a group we have worked

and recycling is a source of great pride to us."

Based in the Melbourne suburb of North Laverton, Alex Fraser Group is involved in demolition, construction and demolition material recycling, metals recycling, asphalt, and ready mix concrete

The Alex Fraser Group was formed in 1879 as a metals distributor for BHP and the British Smelter.

replacement for sand in readymix concrete and as road base.

This pioneering work has totally eliminated landfill disposal of 600 tonnes a year of waste glass from the Pilkington float glass plant in Melbourne.

Training and developing staff to understand the business and meet the needs of customers is a challenging, yet satisfying part of Jamie's work.

of life' cost," said Jamie.

"Reliability and support are also vital as they affect the availability for work of our front line machines for projects in cities all over Australia.

"Komatsu has tried really hard to meet all of our needs by providing the national backup we require. There has been enormous effort by Komatsu to make it happen!" says Jamie.



together to change the direction of the company into the sustainability business by pioneering recycled material specifications and technologies," said Jamie.

"We have taken advantage of opportunities as they have arisen. So far we have recycled over 11 million tonnes of concrete that in the past would have gone to landfill. It is satisfying to look at what we have achieved," he says.

"Our ability to help preserve scarce natural resources, through our commitment to sustainability by material re-use

Jamie McKeller is the third generation of his family to play a major role in the group.

His grandfather joined the company as a bookkeeper in 1906. Jamie's father joined in 1953 and moved the company from virgin metals to scrap metals. Jamie and his brothers joined in the 1970s and led the diversification into industrial demolition.

Recycling of demolition materials followed in the 1980s and the Alex Fraser Group recently worked with Pilkington Glass and the CSIRO to develop technologies for recycling waste glass as a partial

"A major challenge is development of staff, bringing people up through the organisation, bringing in new people and training them to build key relationships with our customers," he said.

"We have to understand our customers' needs and meet these needs while maintaining other key relationships with finance partners and suppliers of materials, plant and equipment."

Another key challenge is equipment cost management.

"For us, a major factor in equipment purchase is 'whole



RELIABILITY, SERVICE KEEP VIRGONA COMING BACK

Victorian civil contractor Virgona Excavations has stuck with Komatsu excavators since buying its first one in 1984, all due to the combination of machine reliability and Komatsu service.

Based at Moondah, north of Melbourne, Virgona Excavations is a father-and-son operation owned by John and Sean Virgona, with the two currently owning three PC300LC-6s and a PC300LC-7 between them. Sean owns and operates one of the PC300LC-6s.

John started the company in 1965 as an owner-operator, and Sean joined him in 1985 when he left school.

John bought his first Komatsu excavator - a PC300-3 - in 1984 and said he "was shocked at how good it was". They have been buying Komatsu ever since.

"Reliability is very important to us in everything we do, and that's why we've stuck with Komatsu. The machines give us reliability and Komatsu Australia gives us service - more so than anyone else," said

John.

"As an example, we did a 200-hour service on one of our excavators within two months of getting it and we found an air filter was blocked.

"We contacted Komatsu Campbellfield, who sent a service van out to check the machine, and then went back to Campbellfield to get the correct part. In the end, they did eight trips between Moondah and Campbellfield to ensure the machine was working properly.

"That's the kind of service we appreciate."

According to John, the company's workers are another important factor in the success

of the business.

"Without them, we wouldn't be where we are today.

"The reliability and dedication of the guys working for us - especially a couple of our foremen - has just been brilliant."

Sean Virgona has been working with his father since he left school, when John offered him a job.

"I really like being out on a project, doing my own thing, getting away from it all," says Sean. "And as far as selecting equipment is concerned, well if it's good enough for dad, then it's good enough for me."



One of Virgona Excavations' Komatsu excavators, a PC300LC-6. Inset: John (left) and Sean Virgona.

PURPOSE-BUILT FLEET FOR STEEL RECYCLING



Part of Smorgon Steel's purpose-built Komatsu fleet of steel recycling excavators. Inset, Laverton recycling site team leader Darren Dejong.

Smorgon Steel Group Ltd, Australia's leading steel recycler, operates a purpose-built fleet of Komatsu excavators modified and strengthened for steel handling.

Smorgon Steel Group is Australia's largest vertically integrated producer of steel, and the leading supplier of steel products in its key markets.

Its Recycling Division, based in the Melbourne suburb of Laverton, is itself the leader in this industry, and the group's major supplier.

This division is also a significant exporter of both ferrous and non-ferrous scrap.

According to Darren Dejong, team leader at Smorgon Steel Recycling's Laverton site, the company recycles anything and everything made of steel.

"We shred wire, fences, reo, H beams, old cars, anything. It all goes into our melt shop and comes out as A grade steel products such as D bar, mesh and angles for use in housing, building, construction and even the making of refrigerators," he said.

Smorgon Steel Recycling uses purpose-built tool handling excavators, because standard excavators don't have the power or productivity the company needs - plus the machines need to be stronger with extra guarding to handle the tough conditions.

"We've beefed up the undercarriage to make the machines structurally much more robust to handle the harsh scrap metal environment," said Darren.

"We work with Komatsu to

specify our machinery and I was lucky enough to go to America and Japan to put my input into the design process.

"A big challenge for us here at Laverton is the environment because we have neighbours nearby. We work to maintain zero emissions while minimising noise and dust."

In machine selection, safety and comfort of Smorgon Steel Recycling's operators is the major concern, followed by machine reliability and productivity.

"We've fitted seats with air-ride to increase operator comfort and reduced the possibility of back injuries," said Darren.

The company runs eight Komatsu machines, including Dash 5, Dash 6 and Dash 7 excavators, wheel loaders and

skidsteers.

"This is our second generation of Komatsu excavators; we started with Dash 5s and we now operate Dash 6s," he said.

"I can't stress how vital it is to our business to have good reliable machinery that can do the job. We have 30 tonners and 40 tonners working here so our on-going relationship with Komatsu is pivotal to the success of the business.

"The service and support from Komatsu is excellent especially from Geoff Killury who is our main contact.

"If the Komatsu crew is caught up on a job and can't get out within the hour, they call and tell when they will be here, always within a couple of hours," Darren said.

NEVER SAY "NO" HELPS HAWKINS GET AHEAD



One of Jack Hawkins and Sons' Komatsu loaders, which provides key services to Sydney manufacturing operations. Inset, managing director David Hawkins.

Equipment dependability and a strong relationship with Komatsu Australia has helped contractor Jack Hawkins and Sons build itself up as a significant force supplying critical services to major Sydney manufacturing plants.

Established by Jack Hawkins in 1968, the company's major clients are manufacturing plants, such as Amcor Packaging's Botany recycling mill, which work 24-hour, seven-day operations, and require dedicated, reliable contractors.

"We need the support of our staff and suppliers to meet our customers' needs," said managing director David Hawkins.

"It has taken us a couple of years to get the rosters sorted out and the right people on staff but everything fits now and it is going pretty well.

"I am proud that we can supply the 100% availability that is required and proud that we don't say 'no'," he said.

David said that due to the reliability of its Komatsu machines, the company has few problems because maintenance and repair downtime is kept to a minimum.

"A good thing about Komatsu is that we only have to ring one phone number and talk to one person and this means we aren't chasing parts and service all over the world," he said.

"One phone call to Komatsu and the spare parts or service people react. We don't have to make two or three phone calls to get something done.

"We have a great relationship with Komatsu that has been built up over the last few years. I am on a first-name basis with most of the people and I am

very confident in their ability. The service support is fantastic."

In particular, David singled out Matt Buttigieg, who is now the workshop superintendent for Komatsu at Fairfield.

"About 20 years ago, when he was a second-year apprentice he came out and worked 20 hours straight, right through the night, to get a machine fixed for the next morning," said David.

"Mark Ward and Chris Daley have also helped us out when we needed it. It is almost as if we were on the same team.

"I couldn't commend Komatsu more highly for their support."

David believes that the performance and reliability of Komatsu's wheel loaders have made the company what it is today.

"We trialled two or three

different brands when we set out to buy a new machine in 1987, and we are so glad we chose Komatsu.

"The others have faltered and our machines have kept going. We are happy with our decision and happy that we have such a strong association with Komatsu," he said.

David's father Jack started the company with a single axle tipper and an old backhoe doing jobs for the council and other people.

"We are the next generation carrying the business on and continuing to expand," he said. "Our success is due to the people who work with us and with our suppliers.

"They have helped us by being available 24 hours a day, not knowing the word 'no' and helping out when they can. They are the type of people we like to deal with."

IMPRESSIVE NCE PRESENTATION FROM KOMATSU



Komatsu Australia's stand at the National Construction Exhibition (NCE), held in Sydney from November 8-12, was one of the most impressive at the event.

Highlights of the display included:

- ▶ Regular K-TV segments highlighting new products, services and customers

- ▶ New product releases, including the global launch of the WA600-6 wheel loader and PC200-8 excavator (not due to go on sale until later in 2006)

- ▶ Komatsu's new ecot3 low-emission Tier III-compliant engine series

- ▶ Equipment demonstration sessions

- ▶ Prizes and giveaways.

On the opening day of NCE, the Careers Day attracted several hundred school students considering a career in the construction industry and a number of them took the opportunity to talk with Komatsu Australia's personnel about opportunities to work with the company.

Komatsu Australia's presence at NCE 2005 was followed up by its sponsorship of the Civil Contractors Federation's (CCF) Circus Spectacular night at Fox Studios the evening the exhibition ended. CCF held its 2005 National Conference in Sydney in conjunction with NCE.

Colin Chamberlain, Komatsu Australia's national marketing manager, construction, said that overall, NCE 2005 was positive for the company, with several machines sold directly off the stand during the show.

"Of the four days, we were



Managing Director, Bill Pike trying out the SK714-5 skid steer loader.

certainly pleased with the Careers Day, which attracted a good number of students to our stand, while the Thursday (CCF Day) was the best day for us in terms of customer numbers," he said.

"The quality of visitors overall has been very good and we look forward to an even more successful NCE in 2008," said Colin.

CCF CIRCUS NIGHT RAISES \$40,000 FOR BEACON



Gary McLure, outgoing CCF National President.

Komatsu Australia was again a major sponsor for the Civil Contractors Federation's National Conference, which this year was held in Sydney in conjunction with the National Construction Exhibition.

Komatsu's "main event" was the Circus Spectacular evening, held at Hall of Industries (Fox Studios), where some 440 CCF delegates, partners and guests were treated to an evening of circus tricks, music and aerial performances.

Performers included the amazing Circus Works, Strange Fruit and the Latin Mi Tiera band.

As is traditional at Komatsu's CCF-sponsored events, the

evening was also used as an opportunity to raise funds for the Beacon Foundation's youth unemployment initiatives.

A large selection of sporting memorabilia, artworks, jewellery and other items were auctioned off through the efforts of international auctioneers Ritchie Bros Auctions, along with a new 1 Series BMW, which was raffled off through 70 x \$1000 raffle tickets.

This was won on the evening by Kristina Friend of Western Earthmoving. Our congratulations to Kristina.

All up, the evening raised approximately \$40,000 for Beacon.

Our thanks to all the CCF members, delegates and guests - and donors - who supported our fundraising efforts.



Kristina Friend, winner of the Series 1 BMW raffle

KOMATSU CEO IS IN TOP 20 ASIAN LEADERS



Masahiro Sakane, Komatsu Ltd's president and CEO.

Komatsu Ltd's president and CEO, Masahiro Sakane, has been picked as one of the top 50 business leaders in Asia by *Asian BusinessWeek* magazine. Mr Sakane was named as number 20 (and was the only representative of a construction and mining equipment manufacturer in the list).

According to the *Asian BusinessWeek* citation naming him one of the top 50 leaders, four years ago, when Masahiro Sakane took over at Komatsu

Ltd - the world's second-largest producer of heavy construction equipment- "the company was in a financial hole so deep that even one of its trademark hydraulic excavators would have had a hard time digging it out."

An ailing domestic economy - Komatsu's biggest market - was the main source of the Japanese company's woes. Nine months after Mr Sakane took over, Komatsu posted a net loss of \$US710 million.

But today, says the magazine, his top worry is whether Komatsu can keep up with demand.

The big difference? Sales outside Japan now represent 63.7% of revenue, compared with just 46.5% in 2001.

That reflects a strategic decision by Mr Sakane to target emerging markets. He has also been an unflinching cost-cutter, shaving \$US450 million in fixed costs by pruning the payroll.

Komatsu expects operating margins in its core construction machinery and mining equipment division to reach 9.7% by March 2006 - on a par with industry leader Caterpillar Inc.

By 2010, sales in fast-developing Brazil, Russia, India, China, and South Africa are likely to increase to 20% of the total, up from 11% now. "There's a lot more growth ahead," said Mr Sakane.

And Komatsu was in an excellent position to exploit it, concluded *Asian BusinessWeek*.

Two new plants for Japan

In other news from Tokyo, Komatsu Ltd has announced the construction of two new manufacturing plants in Japan, to help it respond to strong demand for equipment - the first new factories the company has built in Japan for 11 years.

Komatsu will build a new 130,000 sq m plant at Kanazawa Port for the construction of large equipment such as off-highway dump trucks and other mining equipment, and will increase annual production capacity for mining equipment by about 50%.

It anticipates a high level of demand for off-highway dump trucks and other mining equipment will continue in light of brisk demand in the construction and mining equipment market, particularly from energy and resources development sectors.

Its second new plant will be for the manufacture of large industrial presses, and will be built at Hitachinaka Port, about 100 km northeast of Tokyo.

"HARD DAY'S NIGHT" FOR IQA'S QUARRY MEN



The Institute of Quarrying Australia (IQA) put on another highly successful conference in mid-October - and again

Komatsu Australia was a major sponsor.

Our sponsorship packages include the registration and the Thursday night dinner - themed "A Hard Day's Night", and with music from tribute band The Beatals (hands up all those who remembered The Beatles were originally called The Quarrymen?).

In addition to The Beatals, entertainment was provided by magician Phil Cass, who performed his popular tie-cutting trick and managed to "lose" the engagement ring of Tammie Malempre, wife of new IQA president John Malempre

(it later turned up inside a sealed novelty confectionary dispenser!).

Representatives from Komatsu Australia included managing director Bill Pike, general manager construction and utility Sean Taylor, national

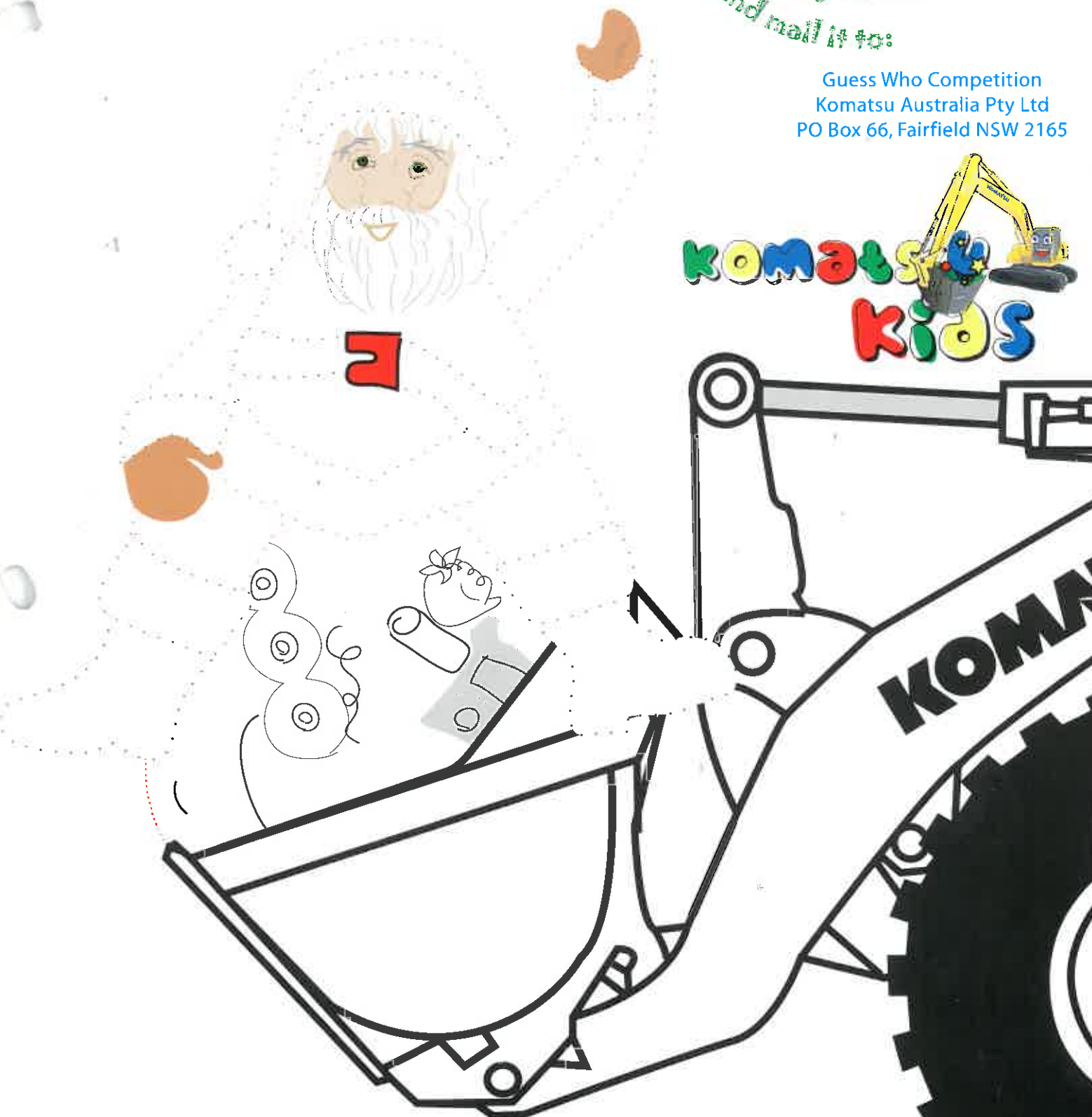
marketing manager Colin Chamberlain, national business manager, quarries Charles Wheeldon, South Australian state manager Gerry Leonard and we must not forget the Komatsu account managers pictured in their Beatles costumes.



Guess Who? COMPETITION

Join the dots and Colour in
to see who (ho ho ho)
is coming to town!..
and mail it to:

Guess Who Competition
Komatsu Australia Pty Ltd
PO Box 66, Fairfield NSW 2165



Name: Age:
Address:
Postcode:
Phone: Email:
Parent or Guardian Signature:

The first 3 entries
drawn out will win a
Komatsu Kids Pack,
which includes one
Komatsu backpack, one
Komatsu cap and one
Komatsu drink bottle.

Winners will be drawn on January 31, 2006 at 3:00pm at 1-12 Mandarin St, Fairfield East, Sydney.
Winners will be notified by phone and/or mail directly following the draw.



- 2 year project
- countless tonnes of rock
- 3 months ahead of schedule

...nice one

At Komatsu, we know you need to keep the show on the road, and keep your customers happy. That's why at Komatsu we invest in unique and unrivalled technologies and a national customer support network to help you stay on the critical path. Call 1800 KOMATSU (1800 566 287) or visit www.komatsu.com.au



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