



FARWEST
EQUIPMENT DEALERS ASSOCIATION



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FAR WEST CONVENTION

2011 ANNUAL CONVENTION
NOVEMBER 3RD - NOVEMBER 5TH

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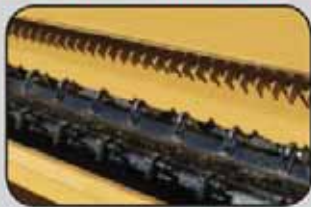
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Brown Company
Wheatland, WY 82201
(307) 322-2525

1st Vice President

Jason Behrend
Greenline Equipment & Sales
Salt Lake City, UT 84123
(801) 966-4231

2nd Vice President

Mark Berchtold
Berchtold Equipment Co.
Bakerfield, CA 83305
(661) 323-7817

Past President

Matthew Hester
Torrence's Farm Implement
Heber, CA 92249
(760) 352-5355

Executive Vice President

Steven G. Kost
(707) 678-8859

National Director

Blaine Bingham
Bingham Equipment Co.
Mesa, AZ 85210
(480) 969-5516

DIRECTORS

Audie Burgan
J.M. Equipment
Fresno, CA 93725
(559) 233-0187

Jerry Nixon
Pioneer Equipment Co.
Fresno, CA 93727
(559) 253-0526

Al Parolini
Coastal Tractor
Salinas, CA 93901
(831) 757-4101

Tim Robinson
Empire Southwest
Casa Grande, AZ 85222
(520) 421-4488

Robert (Bob) Rusler
Rusler Implement Company
Rocky Ford, CO 81067
(719) 254-7842

Jason Wickham
Wickham Tractor Co.
Fort Morgan, CO 80701
(970) 867-5669

FWEDA STAFF

Steven G. Kost
Exec. Vice President

Luella Warren
Admin Mgr/Meeting Planner

Shunda Justin
Accounting/Membership

William Asher Jr.
Publications/Membership

**FAR WEST EQUIPMENT
DEALERS ASSOCIATION**
2355 N. Lincoln Street
Dixon, CA 95620-9215
Phone: (707) 678-8859
Fax: (707) 678-0125
Email: fweda@fweda.com
www.fweda.com

MESSAGE FROM THE PRESIDENT



John Bunker

The heat is on and the season has started. Do you have a plan to fulfill the needs of your customers during this busy season? The Agriculture sector has not been adversely affected by the economy so we can take advantage of this opportunity.

The market tells us we have record high cattle prices and the hay market is poised for a strong recovery given the drought in the southeast. The demand for hay is very high giving us the opportunity to capitalize on hay and forage tools. Ideal growing conditions in the Far West region will also contribute to a successful year for our dealerships. Hopefully, you have prepared your organization for the heat of the season. If not, get out of the kitchen.



John, Merit & Shana Bunker

Shana and I have been busy this June traveling. A quick trip to her sisters' reception near Steamboat got us real close to major snow in the high country. You could have still snowmobiled up there on June 11! We also had a great opportunity to watch Merit play football in the Shrine Bowl. Then, we were off to Park City, Utah for the summer FWEDA meeting.

Your board is meeting as we speak. We are busy planning and preparing the 2011 fall convention November 3rd thru the 5th

in Monterey, California. The Convention Committee is putting together an excellent set of speakers to help you prepare and plan for the heated times ahead. In addition, this convention will combine manufacture meetings as well as the convention business so you will get the most out of your time and travel dollars. The preregistration packets should arrive by the end of July/beginning of August so register quickly!

Now is the time to go 90 with your hair on fire. The window of opportunity is small so take advantage of it.

See you down the road,

John C. Bunker



Bunker Family at Shrine Bowl

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Heidi Mortensen,
Customer Svc/Sales
800-260-9949 office
heidi@agmag.com



Carrie Rodriguez,
Customer Svc/Sales
800-260-9949 office
carrie@agmag.com

Analysts Study Deere's Tractor Sales for Signs of Weakening Demand

Deere & Co.'s U.S. farm machinery business plowed through the economic recession mostly unscathed, but the business is now attracting increased scrutiny because of concerns that farmers' appetites for new equipment is reaching its limit.

Unlike other types of capital equipment, sales of high-horsepower tractors and harvesting combines didn't collapse during the U.S. recession. Elevated crop prices provided farmers with the income and incentive to keep buying through the downturn. Sales of high-horsepower tractors in recent years have been running well above historic rates. By some estimates, farmers haven't added so much horsepower since the 1970s. North American sales of high-horsepower tractors this year are projected to reach almost 40,000 units, the highest volume since the early 1980s.

That's caused some analysts to predict the machinery market is at or near a saturation level, particularly when factoring in that most purchases of new equipment are accompanied by older machines that get added to the used equipment market.

"We've had almost a 10-year run of year-after-year better sales," said Stephen Volkmann, an analyst for Jefferies & Co. "When you have a pretty new fleet of equipment out there, any kind of random event can cause the buyer to pull back."

Volkmann last month dropped his price target for Deere's shares by 16%, concluding that Deere no longer warrants a peak-of-the-cycle price even though he expects sales and profit growth to continue because of foreign market demand and a recovery in Deere's construction equipment business.

With Deere's share of the U.S. high-horsepower tractor market above 60%, the Moline, IL, company is viewed as the most susceptible to softening demand caused by another recession, lower crop

prices or an end to the U.S. government's accelerated depreciation program for capital equipment purchases. Farmers are widely believed to be benefiting from the program that allows them to shield income from federal taxes by investing in equipment.

Investors' anxiety has been reflected in Deere's stock price, which has fallen more nearly 17% since the end of March, compared with about a 4% decline in the broad market Standard and Poor's 500 Index during the same time. Shares for rivals CNH Global N.V. and Agco Corp. also have been taking it on the chin lately, falling 25% and 17%, respectively, since the end of March.

Deere, however, has done little to fan investors' pessimism. In May, the company raised its sales and profit guidance for the year. Its tractor plants are booked with orders through the end of the year. The company appears to have no trouble raising its prices to offset rising costs for materials and additional pollution controls on diesel engines, dispelling concerns about a glut of new and used equipment.

"When you look at used equipment values, they're actually holding very strong," said Tony Huegel, Deere's director of investor relations, during a conference call last month with analysts.

Some analysts maintain that focusing on equipment volumes and market saturation is misplaced because equipment sales are driven mostly by crop prices.

"As long as cash receipts and farm income stays up, farm equipment sales will too," said Eli Lustgarten, an analyst for Longbow Research.

High commodity prices motivate farmers to expand their production through the use of newer, more efficient equipment. The U.S. corn futures have soared to record levels in recent months, setting a new all-time high at \$7.99 3/4 a bushel two weeks ago. Although the price has fallen nearly 20% since then, corn remains priced significantly above historic levels.

Observers also note that the higher sales volumes of equipment seen in recent years followed a prolonged stretch of anemic sales. Just 16% of the U.S. tractor fleet with engines over 100 horsepower were replaced from 2002 to 2010, a rate of about 2.3% annually, according to figures from J.P. Morgan Chase & Co. About 42% of the units sold during the period occurred between 2008 and 2010.

"We do not believe we are close to saturation," said Ann Duignan, a J.P. Morgan analyst, in a recent note to investors. "As long as used equipment prices remain healthy, farmers will continue to trade in equipment."

She's also not worried about elevated sales of new equipment flooding the used market with machinery because the number of smaller farms most likely to rely on used equipment far outnumber larger farms that account for much of the new machinery demand. But regardless of whether a farmer operates a big farm or a small one, the amount of land farmed in the U.S. hasn't kept pace with increases in the size of the equipment fleet.

"Farmers have been buying tractors in bulk, even though they haven't been planting a terrific amount of additional acres," said Adam Fleck, an analyst for research firm Morningstar Inc. "That's a concern to us. How long and how far can [the tractor market] continue to grow?"

Source: Farm Equipment

Governor Brown Vetoes Card Check Bill

A decision that pleased ag and business interests brought dismay and anger from union and labor supporters.

Governor Jerry Brown created and signed the nation's first agricultural labor relations act, the "ALRB" when he was first Governor in 1975. Now 36 years later he has vetoed Democratic legislation that would have allowed farmworkers to unionize easily by returning Senate Bill

Continued on page 9

AFTER MARKET SALES FORCE

Customer Service is an Attitude!

By John Walker, President, After Market Services Consulting Co., Inc.

Customer Service is an attitude displayed by every employee within the equipment dealership. It is not a totally separate department within the dealership. "World-class Customer Service" requires that everyone provides superior customer service to the current base of customers, as well as prospective customers. There is no room in any organization for those who believe "the customer is the enemy!"

Customers and prospective customers are the absolute "life blood" of any equipment dealership. There is little chance for survival in today's market place for an equipment dealer without a culture of customer satisfaction. This culture must be expressed by everyone within the dealership, from the receptionist to the president. No one is exempt from the development of a strong and loyal cadre of customers. This includes everyone: technicians, truck drivers, administrative personal, counter people, sales personnel, managers, owners, everybody!

We have studied and read customer surveys performed by the equipment industries for well over 40 years. Despite all the seminars, books and discussions on customer service, indifference continues to lead the list of reasons why customers continue to leave one supplier for another. Indifference can be basically defined as an attitude of not caring.

Many times we believe the equipment dealer confuses the term Customer Satisfaction with Customer Good Will. Once customer good will, or "give-aways" begins, it is difficult to stop and the customer begins to take good will for granted, causing the dealership to lose out financially in the long run.

So where do we begin? Superior customer service develops strong customer satisfaction. Customer satisfaction is how the customer views their relationship with the equipment dealer. It is what makes the customer want to come back time and time again for the dealer's superior service. Customer Satisfaction is a genuine feeling that the dealer cares after the sale has been made. Customer satisfaction is a caring attitude expressed by the dealership and all the dealership's personal toward the customer.

Customer retention is earned through customer satisfaction and builds customer loyalty toward the dealership, and listen-up all you manufacturers: Customer loyalty builds market share!

It has been estimated that equipment dealers spend six times the amount of money to capture a new customer versus what they spend in keeping that same customer loyal to the dealership. Is the equipment dealer's emphasis misplaced? Custom-

er retention means financial success for the equipment dealer. Losing a customer carries a cost five times the annual value of that customer's yearly account to the dealership. We have always maintained that how you satisfy the customer's needs after the sale determines customer retention.

I will use the words of an equipment dealer I believe is a true World-Class Dealer. He states that the dealership's major reason for success in customer retention and loyalty is: "Hire people with a customer focused attitude and then help them to continue the development of this attitude through encouragement, praise and training." He points out that most dealers hire people that can do the nuts and bolts side of the position very well, but some dealers never ask a potential hire what does world class service look like to them? The dealer goes on to say that you can train people on what a culture of customer service means, but to be the best it must be part of the prospective hire's character.

Believe it or not I once met a Service Manager who absolutely loved his job, and the only thing he disliked about it was he constantly had to deal with unhappy customers.

Talk about a "square pet in a round hole." In most cases in any dealership absolutely no one has more employee and customer contact; over the phone or face-to-face than a service manager. If a potential hire for service management has "poor people skills," don't hire him no matter how great his technical skills are.

How many times in the last five to ten years have we written that the department with the greatest opportunity for increased sales, with the greatest opportunity for increased profitability is the service department? At the same time we are writing or discussing this with dealers we are also pointing out that service generally provides to the dealership the lowest contribution to total sales. When a dealer is hiring or replacing a service manager, the greatest concern should be finding an individual with people skills who understands how to provide customer service to the dealership's customers, while at the same time is able to develop throughout the department the customer service and customer satisfaction culture with his/her employees.

Is there a correlation to all this? Do you, the dealer principal and your sales personnel, show an attitude of indifference to your service department? Is the indifference picked up by the customer and yes by all the employees in your shop? Could it be this indifference that causes customers to search elsewhere when they are having repair work done on their equipment?

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Continued from page 5

104 (called “card check” legislation) without his signature.

Many believe that the secret ballot is at the heart of ALRB and SB 104 by Senate President Darrel Steinberg would have provided unionizing farmworkers an alternative to the secret ballot, letting unions organize them instead through signed petition cards.

Indeed, protection of the secret ballot may have led to the veto decision as Brown says in his veto message, “SB 104 is indeed a drastic change and I appreciate the frustrations that have given rise to it. But I am not yet convinced that the far reaching proposals of this bill – which alter in a significant way the guiding assumptions of the ALRB – are justified.”

The veto came just about one hour before midnight, when the legislation would have become law.

California agriculture organizations were united in its opposition to “card check” and The California Chamber of Commerce included it on its list of “job killer” bills.

“We commend the governor’s courageous veto of Senate Bill 104, says Tom Nassif, President and CEO of Western Growers. “We are heartened that the governor has rededicated himself to this important principle, that the secret ballot must be the exclusive means of determining the true wishes of the workers. Gov. Brown has done the right thing and preserved the heart and soul of the Agricultural Labor Relations Act.”

Assembly Speaker John A. Perez, however called Brown’s action a “setback,” saying Brown sided with agricultural businesses over workers. In a written statement, Steinberg says, “The Governor missed a historic opportunity to help the hardest working people in California improve their standard of living and working conditions.”

“I am deeply committed to the success of the ALRB and stand ready to engage in whatever discussion - -public and private – that will accomplish the appropriate

changes,” Governor Brown concludes in his veto message. “Besides being personally involved, I will direct my Labor and Agricultural Secretaries to reach out to all those who can help.

Source: California Farmer

CEO Stands by Deere Forecast Despite Lagging Economy

U.S. economic growth this year has lagged Deere & Co.’s expectations, the head of the world’s largest maker of farm equipment said Monday.

“We, like everyone or most people, were expecting that it would be a little more robust than what it is,” Chief Executive Samuel Allen told reporters after speaking to the Detroit Economic Club.

Allen stood by Deere’s full-year profit forecast issued last month, saying strong demand from farmers for the company’s agricultural equipment from markets including the United States and Brazil were offsetting weakness in demand for its construction and turf-maintenance equipment.

“The turf business, the construction side, they are still well below what we would call a mid-cycle or normal year,” Allen said.

Industry Group Asks Congress to Protect GPS Network

Move to build 40,000 base stations to put 4G in the country could interfere with key directional signals farmers use.

In late February, the U.S. Federal Communications Commission provided LightSquared permission to start building out its highspeed wireless network that would be used by major carriers to provide added data speed in remote areas. Trouble is, the FCC initial approval was based on data provided by LightSquared

and the frequency band the company is using is in the same bandwidth as satellite signals from the GPS network. However the ground-based signals are much stronger and could cause interference.

However, an industry coalition Save Our GPS got going with key players including Trimble, Agco, Caterpillar and a host of others including the Association of Equipment Manufacturers.

This week, LightSquared offered up a solution - after delaying a report on new studies looking at the interference issue - and the industry response has not been positive. The LightSquared solution would still require FCC approval along with other agency approval. The Save Our GPS initial response was that LightSquared was offering a “bizarre” solution to the issue. See LightSquared Move Baffles Industry for more detail on this issue.

AEM issued a statement about the LightSquared situation calling on Congress, Transportation Secretary Ray LaHood and the FCC to “stop the threat in the U.S. to [GPS] posted by LightSquared.”

The association notes the LightSquared plan would add “unnecessary burdens to the U.S. economy.” Major industry players including Deere have also responded in kind to the issue, noting that the potential interference is a significant business threat. Farm Progress made an effort to contact LightSquared to discuss the issue, but has yet to receive a response.

AEM points out that a study just released by the Coalition to Save Our GPS reveals that the stakes in this issue are very high and very real for our struggling economy. The numbers are staggering: more than 3.3 million jobs depend on GPS technology and the direct economic cost to U.S. commercial GPS users and manufacturers could be \$96 billion.

The association notes that one member company believes that the LightSquared plan could degrade most if not all GPS receivers as far as 22 miles from one of the

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California Statewide Sales and Use Tax Rate Decreased by 1% on July 1, 2011

Statewide Base Tax Rate Decreased from 8.25% to 7.25%

Effective July 1, 2011, the statewide sales and use tax rate was decreased lowering the statewide base tax rate from 8.25 percent to 7.25 percent. In areas where there are voter-approved district taxes, the total tax rate related to sales and purchases will be the statewide base tax rate of 7.25 percent plus the applicable district tax.

How do I find my current rate?

For a current listing of California sales and use tax rates by city and county, please visit their website at www.boe.ca.gov/cgi-bin/rates.cgi. Their website also includes a link to a free sales and use tax rate locator (www.geotax.com) that allows you to determine a tax rate for any address in the state. However, the GeoTax link is provided only as a public service. They do not maintain the website and are not responsible for the content or accuracy of the information on that site.

What is the date of sale?

A sale occurs when a customer takes title to or possession of an item. (Not when payment is received.) Consequently, sales are generally subject to the applicable tax rate in effect when the merchandise is delivered to the customer, unless the contract specifically identifies and passes title to the customer at a different time.

What if I collected tax at the incorrect rate?

If you incorrectly collect sales tax reimbursement or use tax at the higher tax rate on sales made on or after July 1, 2011, you must return the excess tax collected to your customer or remit it to the state as excess tax reimbursement.

How do I handle returned merchandise?

If a customer purchases merchandise before July 1, 2011, but returns it after that date, you should refund tax based on the rate in effect at the time of the sale (that is, the amount you collected from the customer).

What if I have a fixed-price contract?

In general, fixed-price contracts and fixed-price lease agreements entered into prior to the effective date of a tax increase are not subject to the tax increase. The fixed-price contract exemption, however, is designed to protect the business expectations of the parties when they enter into the contract and protect them from an unplanned increase

in tax rate. When the tax rate decreases after the terms of your contract have been established, any sales made after the date of the tax decrease would be taxed at the new, lower rate.

How is the rate of the partial state tax exemptions affected?

Effective July 1, 2011, the partial state tax exemption rate was decreased from 6.25 percent to 5.25 percent for qualifying sales of the following:

- Teleproduction or other postproduction service equipment
- Farm equipment and machinery
- Diesel fuel used in farming activities or food processing
- Timber harvesting equipment and machinery
- Racehorse breeding stock

How do I obtain new tax rate charts?

The BOE-180, Sales Tax Reimbursement Schedules, for transactions up to \$100, are available at www.boe.ca.gov/sutax/streimsched.htm.

How do I receive future notices via email?

By maintaining your account email address, the BOE is able to send periodic notices and updates which are specific to you or your business in a more timely and cost efficient manner. You may add or update your account email address when you login as a registered eClient and select the Maintain Your Sales and Use Tax Account link. To register or to login as an eClient, begin by selecting the eServices tab at www.boe.ca.gov. You may also complete BOE-345-WEB, Notice of Business Change.

How can I get more information?

Please visit BOE's website at www.boe.ca.gov or call their Taxpayer Information Section at 800-400-7115 (TTY: 711). Customer service representatives are available weekdays from 8:00 a.m. to 5:00 p.m. (Pacific time), except state holidays.

U.S. Ag Flash Reports
 May 2011 Flash Report U.S. Unit Retail Sales
 (Report Released 6/10/2011)

	May-11	May-10	% Chg.	YTD 2011	YTD 2010	% Chg.	Beginning Inventory May 2011
Farm Wheel Tractors - 2 Wheel Drive							
< 40 HP	10,836	11,486	-5.7	36,707	37,685	-2.6	55,622
40 < 100 HP	4,509	4,965	-9.2	19,703	18,956	3.9	23,622
100+ HP	1,901	2,003	-5.1	10,882	11,315	-3.8	6,025
Total 2-Wheel Drive	17,246	18,454	-6.5	67,292	67,956	-1.0	85,269
Total 4-Wheel Drive	408	345	18.3	2,392	2,059	16.2	777
Total Farm Wheel Tractors	17,654	18,799	-6.1	69,684	70,015	-0.5	86,046
Combines (Self-Propelled)	535	601	-11.0	3,623	2,908	24.6	1,312

Source: AEM

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UPCOMING EVENTS CALENDAR

August 2011

10 Colorado Area Meeting

September 2011

5 Labor Day - Office Closed

November 2011

2 FWEDA Board Meeting,
Monterey, CA

3-5 FWEDA Annual Convention,
Monterey, CA

24-25 Thanksgiving - Office Closed

December 2011

23-26 Christmas - Office Closed

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Cool Safety Tips for Hot Days

Summer is here and the temperatures are rising. Whether your employees get hit by scorchers on or off the job, they need to know how to prevent health problems caused by high temperatures.

To respond to the heat hazards of summer, OSHA advises employers to:

- Provide heat stress training to workers and supervisors.
- Manage work activities and match them to employees' physical condition.
- Emphasize that workers should take a break, drink some water, and rest for a few minutes in a cool place at the first sign of heat stress.

OSHA recommends that your employees observe the following precautions when they are working in hot, humid conditions:

- Build up tolerance for working in the heat. Heat tolerance is normally built up over a one to two week time period.
- Drink a glass of water every 15 to 30 minutes while working. This is the best way to replace lost body fluid and prevent overheating.
- Take breaks to cool down. A 10 or 15 minute break every two hours is effective when you're working in very hot conditions.
- Adapt work and pace to the weather.
- Be aware of any health conditions affected by the heat.
- Read medication labels to find out about any affects of heat and sun.

First Aid for Heat Exhaustion

- Move the victim immediately to a cool place.
- Have the person lie down.
- Loosen clothing, apply cool compresses to skin and fan the body.
- Get the person to slowly drink large quantities of water.
- Elevate the feet slightly.
- If no improvement is noted within 30 minutes, call for medical assistance.

First Aid for Heat Stroke

- Call immediately for emergency medical assistance.
- Move the victim to a cool place until help arrives.
- Lay the victim down, keeping the head and shoulders slightly elevated.
- Soak the person's clothing with cool water to lower body temperature.
- Don't give fluids to someone who is unconscious.

Hot and Hazardous: Heat Illness Can Be Deadly

Heat can be a real danger for workers during the summer, especially those who work outdoors. Heat illness should be viewed as a serious health problem—one that can even be fatal.

For many people, summer heat is uncomfortable. But for some it can be downright dangerous.

That's why OSHA is currently promoting a national outreach initiative to educate workers and employers about the hazards of working outdoors in the heat and steps needed to prevent heat illnesses.

This campaign has a very simple message—"water, rest, and shade."

That's good advice because, as OSHA reports, each year, thousands of outdoor workers experience heat illness, which often manifests as heat exhaustion. If not quickly addressed, heat exhaustion can become heat stroke, which killed more than 30 workers last year.

"As we move into the summer months, it is very important for workers and employers to take the steps necessary to stay safe in extreme heat," says OSHA boss David Michaels. "Drinking water often, taking breaks, and limiting time in the heat are simple, effective ways to prevent heat illness."

To help employers and employees cope with the heat, OSHA is now partnering with the National Oceanic and Atmospheric Administration on weather service alerts that will incorporate worker safety precautions when heat alerts are issued across the country. NOAA also will include pertinent worker safety information on its Heat Watch Web page at <http://www.noaawatch.gov/themes/heat.php>

What Makes Heat a Health Problem?

Heat illness is the result the body overheating, much the way your car can overheat in hot weather.

Normally, your "coolant" system prevents overheating. You perspire, and as the perspiration evaporates, it cools your skin, cooling your body, and maintaining the proper body temperature. Blood vessels also play a role, bringing heat to the skin surface and releasing it from the body.

But when you're working or playing hard in the heat, and particularly when it's also humid, your coolant system can breakdown. It'll breakdown first if you're past middle age or if you have health problems. But eventually on hot days, even young, healthy people can be stricken.

When the body's cooling system can't keep up with the heat, heart rate rises along with body temperature, increasing the risk of heart attack in people with heart disease.

Heat also affects the brain. A rise in body temperature of as little as 2 degrees can negatively impact brain function, making heat an underlying cause of job accidents. As workers overheat, their diminished brain function can cause them to overlook hazards and make mistakes.

Continued on page 24

Continued from page 9

LightSquared transmitters. “The harm to highly productive precision agricultural practices is clear. Farmer business plans depend on GPS information such as yield data, harvest weights, moisture data and other precision agriculture data,” AEM notes.

The association reiterates it is not against expanding broadband services, but adds that “LightSquared should not be allowed to launch in the spectrum adjacent to GPS and jeopardize” GPS operations.

Source: California Farmer

John Deere: Massive LightSquared Interference with No Solution in Sight

Deere & Company, a major provider of precision agriculture equipment and services, notified the Federal Communications Commission (FCC) on May 26 of substantial interference with its GPS receivers by the LightSquared signal.

Deere receivers registered impact of and interference by the LightSquared signal as far away as 22 miles from a transmitter. Further, the company has found no practicable technical solution to the problem.

Deere met with an FCC legal advisor to report on its analysis of recent New Mexico tests of the LightSquared signal and effects on GPS equipment. The U.S. military conducted anechoic chamber tests at a White Sands facility and open-air tests at Holloman Air Force Base in April. The tests, which simulated various cellular base station transmission schemes proposed by LightSquared in L-band frequencies between 1525-1559 MHz, without exception demonstrated severe interference to Deere’s high-precision GPS receivers.

The tests included configurations where the simulated emission was reduced in bandwidth and/or assigned to frequencies in the lower part of the L-band. The Deere presentation contains an interest-

ing graphic showing how high-precision receivers are more affected by the proposed LightSquared signals than are consumer grade receivers. The reasons:

- Modern high-precision receivers use filters that cover MSS, GPS, and GLONASS bands
- Wideband filters are required for higher rate, precision codes

Deere owns NavCom Technology and operates the StarFire Network, a global satellite-based augmentation system providing decimeter positioning accuracy on a worldwide basis, enabling users to roam freely while maintaining precise positioning information. The Starfire service and GPS equipment are used in precision agriculture and other applications of precise machine control, survey (land and air), marine navigation, unmanned vehicles, and continuously operating reference stations, among other applications.

Deere explained that, in the course of its technical analysis, the company’s engineers have determined that there is currently no practicable technical solution, or solutions in combination, available to avoid or substantially mitigate interference from LightSquared’s base stations to Deere’s existing precision GPS system and to similar systems operated by others, particularly in the agriculture and construction industries.

Deere also confirmed that while there are important potential mitigation strategies that may be worth exploring with respect to future generations of GPS receivers, no single interference mechanism — such as repositioning LightSquared’s operating frequencies, modestly reducing transmitter power, and so on. — and no combination thereof, has been examined such that it can be deemed to provide meaningful protection for precision farming operations essential to today’s U.S. agricultural sector. Similarly, no potentially effective mitigation solution, alone or in combination, has been examined such that it can be deemed to protect other precision GPS

users in the construction sector or GPS in other applications.

Deere emphasized that, based on this data and analysis, permitting LightSquared to operate its network as proposed or any variant of its currently proposed network will create massive interference into Deere’s StarFire system and other similar systems risking serious harm to the U.S. agriculture industry.

Deere expressed its support for expanding wireless broadband services, particularly in rural areas, so long as initiatives to provide new wireless service do not compromise critical and irreplaceable GPS and/or space-to-earth MSS services essential to the nation’s agricultural community.

Deere suggested that, in the absence of short-term solutions, should the Commission decide to pursue a new use of L-Band spectrum as a long-term option, the Commission should do so in Commission rulemaking proceedings allowing for full public input, technical examination, product and development time, and appropriate testing. Given the critical importance of the L-Band interference to Deere’s agricultural (and other customers), Deere would expect to participate in such proceedings.

Source: Farm Equipment

Farm Payment Database Released

The giant database of individual farm payments built and hosted by the Environmental Working Group has been updated online at farm.ewg.org and the group claims there has been little change in the amount of money going to urban, absentee landowners since reforms were built into the 2008 Farm Bill.

Released June 23rd, the report tracks the subsidies paid between 1995 and 2010. The database first appeared in 2004 and the organization claims more than 300 million searches since it was launched.

Continued on page 19



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2011 CONVENTION UPDATE

Make plans now to attend the 2011 Convention

November 3rd - 5th at the Portola Hotel & Spa, Monterey, CA

We have some great events lined up this year for the convention. There will be Manufacturer's Line Meetings beginning at 8:00 am on Wednesday, November 2nd and again at 1:00 pm. We also have a Technology Panel as part of the General Session on Friday, November 4th. **This is one convention you don't want to miss!**

Here is just one of the speakers we have lined up for you during the convention.



Kirk Lippold Inspirational Leader and Commander of the USS Cole

Commander Kirk Lippold, USN (Ret.) was the Commanding Officer of the USS Cole when it came under a suicide terrorist attack by al Qaeda in the port of Aden, Yemen. During his command,

he and his crew distinguished themselves by saving the American war ship from sinking. This event is widely recognized as one of the most brazen acts of terrorism by al Qaeda prior to September 11, 2001. With this unique and invaluable experience, Commander Lippold has briefed over 2,500 military officers and given over 125 presentations on this seminal event in the war on terrorism.

Commander Kirk Lippold's assignments prior to the USS Cole included Executive Officer of USS SHILOH, an Aegis-class guided missile cruiser. His department head tour was unique in his assignment to the crew that commissioned USS Arleigh Burke, the Navy's first Aegis guided missile destroyer. He served as the Operations Officer responsible for the training and operation of a next generation \$1 billion warship with a crew of over 300 Sailors. He had two division officer assignments, which included a tour on USS Yorktown, an Aegis class guided missile cruiser. There, he completed a lengthy seven and a half month deployment to the Mediterranean, where he participated in the Achille Lauro aircraft seizure, Black Sea Freedom of Navigation operations against the Soviet Union, and Attain III combat operations in the Gulf of Sidra off Libya that followed several Libyan sponsored terrorist attacks in Europe. His initial division officer tour was in USS Fairfax County, a tank landing ship, where he completed a deployment to Beirut, Lebanon, in

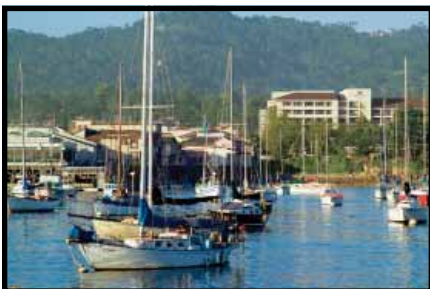
support of the US Marine Corps and the Multinational Peace-keeping Force when terrorists attacked the American Embassy and severely damaged it.

Commander Kirk Lippold is a graduate of the US Naval Academy, and received his commission in the Navy in 1981. He attended the Navy Postgraduate School from 1987 to 1989 where he received a Masters of Science in Systems Engineering (Joint Command, Control and Communications). He is a 1994 graduate of the United States Army Command and General Staff College and is also a 2001 graduate of the Joint Forces Staff College. He has also served as the Administrative Aide to the Secretary of the Navy. He recently served on the Joint Chiefs of Staff, Directorate for Strategic Plans and Policy (J-5), where he was instrumental in crafting detainee policy for the war on terrorism during its initial stages following the 9/11 attacks. His last assignment was in the International Strategy Division in the Office of the Chief of Naval Operations (N5IS).

Commander Kirk Lippold's personal awards include the Defense Superior Service Medal, Legion of Merit (two awards), Meritorious Service Medal (three awards), Combat Action Ribbon, Navy Commendation Medal (two awards), Joint Service Achievement Medal, Navy Achievement Medal (two awards), in addition to various campaign and service ribbons.

Currently, Commander Lippold is the president of Base to Peak, LLC, a consulting firm specializing in training programs, crisis management, and long-range strategic planning. He is also the Senior Military Fellow for Military Families United, the nation's premier military family advocacy group.

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INDUSTRY NEWS

Continued from page 14

The organization has long been an opponent of payments to landowners and in this latest data set the group points to payment trends.

EWG says the “actively engaged” rule adopted in the 2008 bill didn’t stop 7,767 residents of five Texas cities - Lubbock, Amarillo, Austin, San Angelo and Corpus Christi - collected more than \$61 million in subsidies. Lubbock rises to the top of sitites with 100,000-plus populations with \$24,839 paid in 154 payments.

In its press statement announcing the new list, EWG notes several other cities receiving payments. In Spokane, Wash., 1,224 residents cashed \$10,580,181 in farm subsidy checks. In New York City, 290 farm subsidy recipients pulled in a total of \$800,887, while 203 residents of Miami got \$2,472,071. In San Francisco, 179 residents split \$1,094,172, while 1,235 residents of Memphis got \$4,009,874 and 1,146 people in Denver received \$3,394,550. In Arizona, 1,205 residents of Phoenix, Mesa and Scottsdale divided up \$8,173,269 in payments.

The group also notes that the largest farm operations continue to receive the majority of payments. Just 10% of subsidized farms collected 75% of payments. They note the average payment over the 16 years of data gathered (1995 to 2010) the average per recipient has been \$447,873.

The group also details crop insurance payments as part of their effort. Check that out at Crop Insurance.

As the 2012 Farm Bill debate heats up this data set will be part of the debate.

Source: California Farmer

Farm Equipment Market Not Close to ‘Saturation’

Responding to questions about where the farm equipment industry is in terms of the machinery replacement cycle, Ann Duignan, machinery analyst for JP Morgan, revisited the USDA Census data from 2007. In a note, she concluded that,

“Based on our analysis of the data, we do not believe that we are close to ‘saturation’ and other factors will likely weigh heavier on the strength of the cycle from here.”

According to the research, including all categories of farm tractors — from less than 40 horsepower to over 100 horsepower — there were 4.4 million tractors in the U.S. in 2007. This was down 5% from 2002. Of the 4.4 million, 1.1 million were units over 100 horsepower.

“New sales between 2002 and 2010, cumulatively, imply that farmers have only replaced 16% of the fleet, respectively,” Duignan says. “Stated another way, farmers are replacing about 2.3% of the over 100 horsepower tractor population per year.”

She says this suggests that in 2007 there were 3.9 million tractors in use that were more than 5 years old. Total annual sales of tractors have averaged about 194,000 units in recent years, which means the annual replacement rate is about 4.4%. Between 2007 and 2010, total new tractors sales in the U.S. were 503,000 in total. This indicates that only 11% of the total fleet has been replaced since 2007. Since 2002, the industry sold 1.7 million tractors cumulatively, suggesting 40% replacement, at best, according to the analyst.

Large Tractor Trends. Of the 1.1 million 100 horsepower-plus tractors in use, their fleet age was in line with the overall population with 12% produced in the 2002-2007 timeframe, according to Duignan.

Between 2008-2010, U.S. sales of over 100 horsepower units were 76,000 cumulatively and between 2002-2010 sales of these tractors were 181,000. “This implies that only 16% of the fleet has been replaced between 2002 and 2010,” Duignan says. “Also of note, crop farmers had 750,000 of the 100 horsepower-plus tractors, up from 729,000 in 2002. This was one of the few growth sectors between 2002 and 2007. Assuming they were the

only group to replenish equipment, only 24% of the crop farmers’ equipment has been replaced.”

More Detail. A further breakdown of tractor unit sales shows that of the 4.4 million tractors in use in 2007, 29% were less than 40 horsepower, 46% were 40-99 horsepower, and 25% were over 100 horsepower.

In 2007, there were about 2.2 million farms, and an average of about 2 tractors per farm. Within the total farms, 986,000 were crop farms and these farms owned 2.4 million tractors. These farmers use higher horsepower units and 31% of their tractors were over 100 horsepower.

In 2007, 964,000 livestock producers owned 2 million tractors, 82% of which were less than 100 horsepower.

Source: Ag Equipment Intelligence

Fiat Industrial Fail, Daimler Plans No Large Buys for Now

German carmaker Daimler is not looking to make any large purchases for the time being and is also not planning to venture into new business areas after buying into engine-maker Tognum, its CFO said.

“At the moment we are not planning any major takeovers,” Daimler’s finance chief Bodo Uebber told Boersen-Zeitung in an interview published on Saturday, adding that the company was well-positioned in regard to mergers and acquisitions as well as cooperating with other groups.

He reaffirmed management’s comments from earlier in the year that talks to purchase Fiat Industrial - which would have given Daimler control over agricultural machinery maker Case-New Holland - collapsed above all over the price.

“We... believe the stakes (we hold) are currently completely sufficient to reach the goals attached to them,” Uebber said, adding that the group and Renault-Nis-

Continued on page 23

Federal/State Family Leave, Wage Replacement Laws Apply to Dads Too

50+ Employees

If an employer has 50 or more employees at a location (or within 75 miles) and the employee has worked for at least a year and 1,250 hours during the year immediately preceding the leave, the employee is entitled to take baby-bonding leave to be with his new child.

The new dad can take up to 12 weeks within a year of the birth of the baby. This 12-week “bank” can be intermittent; however, for baby-bonding time, the employer can mandate that the employee take the leave in two-week minimum increments, except on two separate occasions (unspecified) the employee is allowed to use less than two weeks.

The employer is not required to pay the employee for this time, but the employee can apply for Paid Family Leave (PFL) through the Employment Development Department (EDD) for a wage replacement. This misleadingly named law is not a leave of absence, but a wage replacement only, and pays for six weeks only.

Fewer than 50 Employees

If the employer has fewer than 50 employees, the time off is at the employer’s discretion. If the time off is granted, then the employee can apply for PFL.

If the employee has vacation time earned, the employer can require that the employee use up to two weeks of the vacation time before the PFL is paid. The first week is credited toward the EDD requirement of a one-week waiting period.

If the employer offers health insurance benefits, those benefits are extended during the leave of absence. If the employee normally pays a portion of the premium via a wage deduction, that employee must remit payment to the employer for the employee’s portion.

The Labor Law Helpline is a service to California Chamber of Commerce preferred and executive members. For expert explanations of labor laws and Cal/OSHA regulations, not legal counsel for specific situations, call (800) 348-2262 or submit your question at www.hrcalifornia.com.

Source: Cal Chamber of Commerce Alert

Survey: Companies Will Cut Health Plans As Reform Starts

A new survey shows that once provisions of the Affordable Care Act start to kick in during 2014, at least three of every 10 employers will probably stop offering health coverage, according to MarketWatch.com.

While only 7% of employees will be forced to switch to subsidized-exchange programs, at least 30% of companies say they will “definitely or probably” stop offering employer-sponsored coverage, according to the study published in McKinsey Quarterly.

The survey of 1,300 employers says those who are keenly aware of the health-reform measure probably are more likely to consider an alternative to employer-sponsored plans, with 50% to 60% in this group expected to make a change. It also found that for some, it makes more sense to switch.

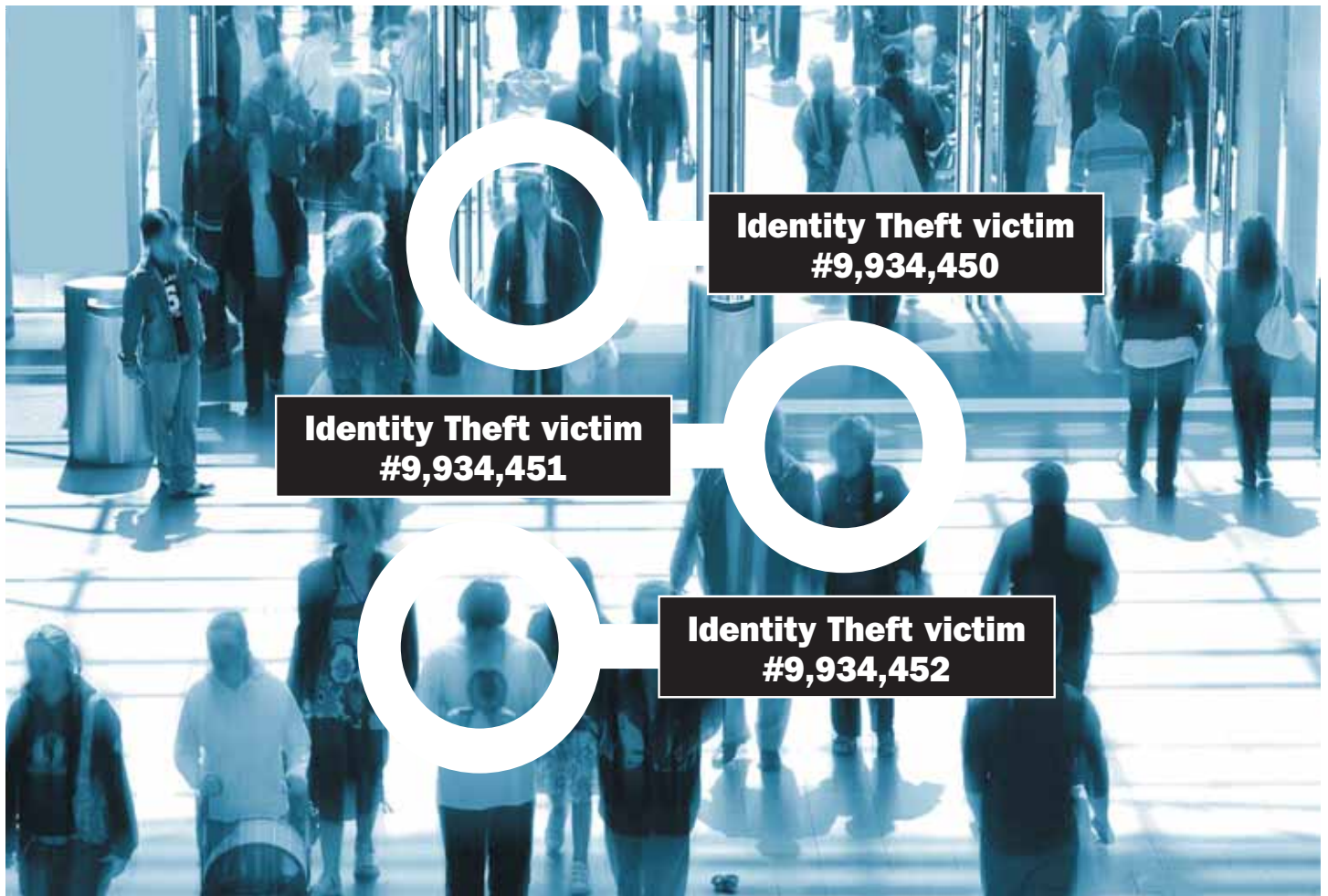
“At least 30% of employers would gain economically from dropping coverage, even if they completely compensated employees for the change through other benefit offerings or higher salaries,” the study says.

It goes on to add: “Contrary to what employers assume, more than 85% of employees would remain at their jobs even if their employers stopped offering [employer sponsored insurance], although about 60% would expect increased compensation.”

An Obama administration official took issue with the study, saying that it is at odds with findings from the Congressional Budget Office, think-tank Rand Corp and the Urban Institute. In an email response, the official wrote that when Massachusetts initiated its own reform, the number of individuals with employer-sponsored insurance increased.

Indeed, the Rand study released in April noted: “The percentage of employees offered insurance will not change substantially, but a small number of employees in small firms (defined as those with under 100 employees in 2016) will obtain employer sponsored insurance through the state insurance exchanges.”

Source: Shortliner



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san were ahead of schedule in driving forward their alliance projects.

Daimler owns a 3.1 percent stake in both the French carmaker and its Japanese partner, while also holding an 11-percent stake in Russian truckmaker Kamaz.

In addition, Daimler plans to supply engines this year to Nissan's Infiniti brand, and Uebber said the two companies were in talks about batteries as well.

"We are discussing further options to cooperate...we are debating a deeper collaboration on compact cars," Uebber said.

Daimler took over Tognum, a maker of industrial-size diesel engines, with UK aero-engine group Rolls Royce earlier this year.

Uebber said Daimler was not planning to expand its product portfolio any further outside of its traditional business.

Additionally, Uebber said Daimler may consider using part of its industrial net cash position of 12.4 billion euros (\$11 billion) to plug a 3 billion euro hole in its pension debt.

Aging Farmer Population Threatens U.S. Food Supply

As the farmer population continues to age, young farmers face land availability and start-up costs as obstacles in becoming the next generation of farmers, according to an article in the April issue of Food Nutrition & Science. This two-part series examines the issues in replacing an aging farmer population, its effects on the U.S. food supply and the steps the government is taking to remedy the situation.

"Farmers over 55 years old own more than half of the country's farmland," says Phil Lempert, founder of Food Nutrition & Science and CEO of The Lempert Report and SupermarketGuru.com. "Hopefully we can expect to see the transfer of farmland in the coming decades that will expand and strengthen small and medium

size family farms assuming the land isn't sold off for development. Our nation's food supply depends on this next generation of farmers and the government needs to help them be successful."

In 2002, there were 106,097 farmers in the 25 to 34-age range; in 2007 that figure rose to 106,735. Though a small increase, at half a percent, it demonstrates that government-sponsored programs can make a difference.

Also in the April edition of Food Nutrition & Science, an article reviews the results from a study suggesting there's no correlation between food coloring and hyperactivity in children; however, the FDA Food Advisory Committee does suggest that more studies occur.

In addition, another article details a United Nations Report encouraging poor nations to implement agroecology to improve food supplies. As a set of agricultural practices, agroecology seeks ways to enhance agricultural systems by imitating natural processes.

Lempert says, "The United Nations estimates the world population will reach nine billion by 2050. making the task of feeding the world even more of a challenge. Food Nutrition & Science continues to cover this topic because it's a global issue. With food costs rising and supply diminishing, the time is now to start growing and planning for the future."

After Talks to Buy Dealers Say Equipment Pricing is 'Firming' as Tier 4 Costs Add 7%

Dealers are reporting a "significantly improved environment for new equipment pricing," according to the most recent survey by UBS Investment Research of U.S. farm equipment dealers. The report, which was released to investors on May 26, showed that 68% of farm equipment dealers nationwide reported new equip-

ment prices were "Firming," while 5% saw "Weakening" prices. The remaining respondents report that pricing was "Stable."

"Dealer responses to this question were the most positive in the 12-year history of asking this question in our survey," says Henry Kirn, machinery analyst for UBS.

On average, dealers report current prices on new equipment are nearly 6% above 2010 levels, and they expect Interim Tier 4 equipment prices to increase about 7%.

From an equipment brand perspective, retailers of Case IH machinery were the most positive with 27% saying that pricing was "Stable" and 73% report prices were "Firming."

Historical Perspective. This is the 28th survey for U.S. farm equipment dealers conducted by UBS. This year, the national average response of 8.18 represents a significant improvement from the average response of 5.88 received in the prior survey. The previous high of 8 was recorded in Survey #24, two years ago.

"This is an indication that healthy farmer balance sheets and solid levels of net farm income are allowing dealers to pass through higher prices to end users," Kirn says.

The UBS report shows that, on average, dealers indicated new equipment prices are up 5.6% from 2010 levels, with the strongest average response reported by Deere dealers (7.3% higher), followed by AGCO, Case IH and New Holland dealers with average responses of 5.9%, 5.3% and 4.7%, respectively.

Tier 4 Effects. On average, dealers report that they expect about a 7% price increase as a result of the new Tier 4 interim engines in 2011.

AGCO - Based on 49 responses, AGCO dealers on average expect pricing on Interim Tier 4 equipment to increase 7.5%.

Case IH - Based on 66 responses, Case IH dealers on average expect pricing

Continued on page 28

CAL OSHA COMPLIANCE INFORMATION

Employers who need help developing, improving or maintaining a safe and healthful place of employment can obtain free professional assistance from the Cal OSHA Consultation Service on any of the issues or activities described in this manual.

Cal OSHA consultants help employers by:

- Identifying actual and potential safety or health hazards in the workplace and finding solutions to eliminate or control them.
- Identifying sources of help for employers in further technical assistance is needed.
- Providing a written report summarizing the finding of any consultation visit.
- Interpreting applicable safety and health standards.
- Helping establish or improve worksite Injury and Illness Prevention Programs.
- Helping develop and/or conduct safety and health training of both supervisory and non-supervisory personnel.

All services of the Cal OSHA Consultation Service are entirely separate and distinct from the enforcement activities of the Division of Occupational Safety and Health (DOSH).

Consultants do not issue citations or assess penalties, and they do not inform DOSH of their work with an employer.

Any employer who has had a wall-to-wall survey performed by the Cal OSHA Consultation Service, and has an effective Injury and Illness Prevention Program in operation, will greatly reduce the likelihood of citations or penalties if inspected by DOSH.

Employers with fixed worksites and 250 or fewer employees at a specific worksite, can now become exempt from a DOSH discretionary compliance inspection by participating in a voluntary compliance program.

To obtain assistance or information from the Cal OSHA Consultation Service call 1-800-963-9424.

SAFETY UPDATE

Continued from page 13

A 5 degrees rise in body temperature can be fatal.

Signs of Trouble

The hotter it gets, the more stress on the body. The first signs of trouble include symptoms like:

- Fatigue
- Thirst
- Discomfort
- Lightheadedness

Simple heat stress, however, can quickly become heat exhaustion if early symptoms are ignored.

Symptoms of heat exhaustion include:

- Pale or flushed appearance
- Moist, clammy skin

- Weakness
- Dizziness
- Headache
- Nausea

Untreated heat exhaustion can become heat stroke.

The heat stroke victim:

- Stops sweating and has hot, dry, reddish skin
- Has a rapid pulse and feels hot to the touch
- May become confused or delirious
- May suffer convulsions
- May become unconscious

Twenty percent of heat stroke victims die. Those who survive may suffer brain and kidney damage.

Safety Training Materials Available

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Paul Kindinger, CEO

North America Equipment Dealers Association

I sense that most reasonable people would agree that government has a role to play in our society. Exactly what that role should be, and how we should pay for it, is often where disagreements begin. Today there is enormous pressure to clearly determine answers to these questions. That pressure is coming from an ever-increasing overspending and debt problem, not only in the U.S. and Canada, but across the globe. What exactly should government do and how will we pay for it are questions that must be answered.

It's no secret Congress has created an enormous problem by continually spending more than it takes in. Don't let anyone kid you ... although the problem has grown worse, overspending has been going on for years. Congress is like drug addicts in a room full of heroin: it can't control itself. So now, like most problems created by Congress, it's a crisis and the gloves are off regarding how it should be fixed. It's the epic battle between "tax and spend" and "lower taxes and cut government spending." Unfortunately, neither approach by itself will fix the problem. The patient is sick and the doctor is on vacation!

So where is our hero? I'm sorry, but this is reality, not a fairy tale. Like Henry J. Kaiser said, "Problems are only opportunities in work clothes." We didn't get into this situation overnight and we won't get out of it overnight. It will take hard work, patience and solid ideas to fix it. The paradox is that the demands are greater than government's ability to address them, even if we all agree on the fix. Another paradox is politics. Politicians' posturing

Wanted: New Ideas

to other professional politicians (who often are more concerned about preserving their career than developing real solutions) will not get the job done.

What can we do? Here are ideas:

1. **Reinvigorate an entrepreneurial spirit.**

The entrepreneurial spirit is sorely needed. Government should inspire people to dream big. It should create an environment where people feel free to pursue their ideas, take risks and reap the commensurate rewards ... instead of an environment where people and businesses are taxed and regulated to the point where they give up. Jobs will be created when entrepreneurs and businesses are encouraged to reach higher.

2. **Act as a support mechanism.**

A government that will act as a catalyst for ideas and the infrastructure required to implement them will be a step on the road to recovery. Governments are already spending billions on R&D, so let's use some of these funds in a more collaborative manner with the private sector. Congress should also weigh whether regulations are helping or hurting the economy and then legislate appropriately.

3. **Encourage new forms of business-to-business collaboration.**

Collaborations between businesses of all sizes can generate ideas and accelerate innovation. Great ideas may come from small businesses, but they often need the involvement, support and funding of larger, better staffed businesses. Some collaboration occurs today, but more is needed.

4. **Create new sources to finance innovation.**

Perhaps we need a funding institution that can access capital more quickly and inexpensively. It should absorb a little more risk than tradi-

tional mechanisms alone. Venture capitalists are a good source, but their involvement is not enough to meet the total demand. Besides, they frequently demand a high premium for their investment.

5. **Provide exceptional, positive leadership.**

Leadership that has a laser focus on building something great and fixing real issues is essential. One admirable quality of John Kennedy was his willingness to provide a Big, Hairy, Audacious Goal (BHAG). Remember? He said, let's choose to go to the moon in this decade. The United States at the time had few resources in place and little idea of how to accomplish the goal, but it put a man on the moon. We sorely need someone, or a group of someones, to step up and not be deterred by distractions created by politics, the media and left or right-wing extremists. We need leaders who honestly, deeply care and believe they can make things better.

Yes, the United States faces daunting challenges, but if we deal with this financial mess head on, we may very well determine the fate of our beliefs and our society. And, that's the way I see it!

What is your perspective on this subject? Send your comments to naeda@naeda.com or make your comments on the CEO blog version of this column on www.naeda.com. By commenting, you are granting NAEDA the right to publish and reuse your words in NAEDA Equipment Dealer magazine the NAEDA Web site, and/or other materials or communications, unless you specifically indicate not to make your comments public.

PAUL KINDINGER is president/CEO of the North American Equipment Dealers Association. The association, in coordination with affiliated state, provincial and regional associations, provides educational, legal, legislative, and financial services to approximately 5,000 retail agricultural, construction, large property, and outdoor power equipment dealers in the United States and Canada.

AFTER MARKET SALES FORCE

Continued from page 6

Many times in discussions with equipment sales personnel we ask why they don't discuss the dealership's ability to provide quality service to the customer. Understand that the customer's number one concern when buying a piece of equipment is his concern about: unscheduled down-time! Customers want to know that your dealership is going to be there for them after the sale. Surveys express consistently the fact that customers want to know that their equipment is going to be fixed right, the first time, on time and at a competitive price! Unfortunately so many times the sales person replies to our question by saying figuratively: "I'm not sure I want to tell a customer we can do that because I am not sure our shop can perform at that level!"

With this reply, remember what was said on the Apollo 13 flight: "Houston, we've got a problem!"

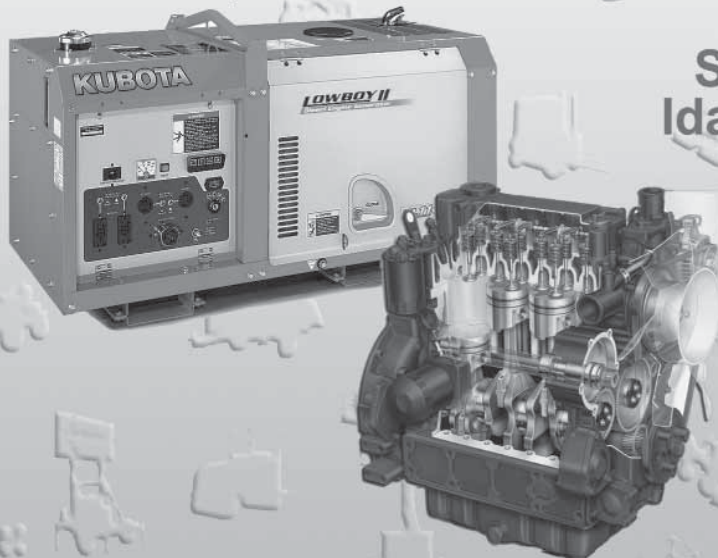
As we said at the beginning customer satisfaction, customer loyalty, customer retention, all lead to the equipment dealership's financial strength and to those so loved words manufacturers like to throw at dealers: Increased Market Share. All are interrelated to that single phrase: Customer Service!

Those equipment dealers who have achieved world class service status have recognized that Customer Service is not a department. It is everyone from top to bottom within the dealership working together to create that culture that defines true customer satisfaction.

Special Offer to Readers: After Market Services most recent publication is: Enhancing the Customer's Buying Experience. This document shows you how to create a Customer for Life Culture within your dealership, how to bring customers back time and time again to buy from your dealership and basic but profitable way to create market share. Along with this document we will email you, free of charge a second document entitled: Customer Satisfaction is Customer Retention is Dealer Financial Strength. Simply e-mail your request for this publication, stating your name, your dealership and your dealership's location, as well as your product line, and the document will be sent via email to you along with an invoice in the amount of \$19.99, which you will pay after the material has been received. If, after receiving the materials, you are not satisfied, simply e-mail us telling us of your dissatisfaction and withhold any payment whatsoever ... simple enough? Our email address is: amsconco@aol.com

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INDUSTRY NEWS

Continued from page 23

on Interim Tier 4 equipment to increase 6.5%.

John Deere - Based on 64 responses, Deere dealers on average expect pricing on Interim Tier 4 equipment to increase 7.1%.

New Holland - Based on 102 responses, New Holland dealers on average expect pricing on Interim Tier 4 equipment to increase 7.3%.

"In our previous survey, dealers on average expected a price increase of 6.9% for Interim Tier 4 equipment," Kirn says. The responses to this question were largely in line with responses received when the question was last asked in Survey 27.

Tier 4 Acceptance. UBS went on to ask farm equipment dealers how customers

are accepting the new Tier 4 engines. Of the more than 300 responses, 27% of dealers reported a negative customer reception, while 17% say customers were positive to the new equipment. The remaining 56% reported that customers were "Neutral."

By equipment brand, the dealer network that reported the highest level of "Positive" customer reaction to Tier 4 machinery came from Case IH dealers (25%). AGCO dealers reported the highest percentage of "Negative" customer reaction to Tier 4 equipment (39%).

Source: *Ag Equipment Intelligence*

Mahindra Tractors Report 37% Growth in June

India's major utility player Mahindra & Mahindra's Farm Equipment Sector division has reported 37.01% jump in its total tractor sales in June to 22,730 units. The company had sold 16,590 units during the same month last year.

According to reports, domestic sales grew by 39.85% to 21,552 units as against 15,411 units in the year-ago period. It was also reported that exports during the month declined to 1,178 units from 1,179 units in the year-ago month.

M&M is among the major players in the farm equipment sector that has also been witnessing some growth.

Source: *Farm Equipment*

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*Based on 2010 research study conducted by Adayana.



*This Article provided by Erik Plantenberg,
Regional Marketing Manager,
Federated National Insurance Company*

Workplace Discrimination Allegations Are on the Rise

Practices Liability (ERPL) policyholders to help prevent losses before they occur. Our ERPL policyholders have access to the services of in2vate, llc, a national research and development firm focused on preventing loss and litigation from workplace wrongdoing.

Here is a sampling of what in2vate® has to offer:

- Unlimited access to their Best Practices Risk Management Line™, which provides guidance in managing workplace risks, such as:
 - Employee discipline
 - Documentation
 - Written policies and procedures
 - Fair treatment of employees
- Unlimited access to a variety of on-line employee and supervisor training modules
- Sample policies, forms, and handbooks

Business owners who purchase employment practices liability insurance give themselves a measure of financial protection against costly court settlements

and legal fees. Defense costs have been known to reach \$100,000 in these types of claims - even when there is no actual liability on the part of the business.

Most general liability policies exclude coverage for employment-related practices, such as refusal to hire; termination of employment; or actions like coercion, demotion, dismissal, harassment, humiliation, or discrimination. An ERPL policy from Federated can fill this coverage gap! With assistance from in2vate and Federated, our ERPL policyholders can develop a risk management program to both prevent and protect against the growing number of employment-related claims.

Contact your local Federated representative, if you're interested in more information.

This publication is intended to provide general recommendations regarding risk prevention. It is not intended to include all steps or processes necessary to adequately protect you, your business, or your customers. You should always consult your personal attorney and insurance professional for advice unique to you and your business. ©2010 Federated Mutual Insurance Company. All rights reserved.

According to the U.S. Equal Employment Opportunity Commission (EEOC), a record 99,922 private-sector workplace discrimination charges were filed in fiscal year 2010 — a seven percent increase from 2009. The EEOC said the surge in charges might be due to several factors, including economic conditions, increased diversity and demographic shifts in the labor force, and employees' greater awareness of the law.

What can you do to safeguard your company against loss and litigation?

Federated provides risk management assistance to our Employment-Related

Flat Rate Guide

For Combines and Agricultural Tractors over 40hp

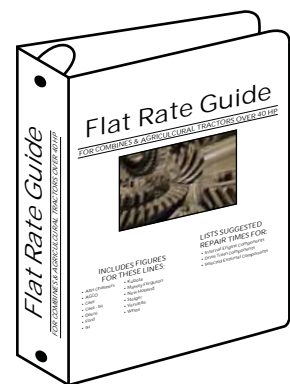
Newly updated with 108 more Tractor models, including Caterpillar, and 18 more Combine models.

Lists suggested repair times for:

- Internal engine components
- Drive train components
- Selected external components

Includes figure for these lines:

- | | | |
|------------------|---------------|-------------------|
| • Allis Chalmers | • AGCO | • Case |
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Falc offers shredders for orchard, vineyard, row crop, and roadside maintenance. They are available with knives for fine materials or hammers for heavy shredding.

Rotary Tillers



Falc's wide range of tillers has a machine to suit anyone from home owners with compact tractors to the largest farming operations. Built extra heavy, Falc tillers will outlast others. Accessories include spike rotor, depth wheels, skids, and rear rollers.

Model	Tractor HP	Till Width	Gearbox
A	30 max	36 - 66"	1 speed
B	20 - 50	36 - 72"	1 speed
C	40 - 70	52 - 82"	1 or 4 speed
D	60 - 100	72 - 100"	1 or 4 speed
E	60 - 120	96 - 114"	3 speed
F	80 - 140	96 - 114"	3 speed
G	120 - 220	96 - 172"	2 speed
Kappa	190 - 300	162 - 250"	3 speed

Spaders



Falc Spaders incorporate material deep into soil without "plough pan." They also operate in very wet soils.

Model	Tractor HP	Till Width	Digging Depth
Panda	20 - 35	35 - 48"	8"
Mini Toro	30 - 60	40 - 70"	10"
Toro	40 - 90	60 - 98"	14"
Leopard	80 - 180	105 - 165"	14"
Buffalo	100 - 180	122"	16"
Drago	100 - 240	123"	20"

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Far West Equipment Dealers Association

**2355 N. Lincoln Street
Dixon, CA 95620-9215**

Telephone Numbers

Main Number: 707-678-8859

Fax Number: 707-678-0125

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