



- ◀ Cat iron meets the quarry challenge in Abbotsford
- Culture of safety takes a front seat at work and play

Tracks & Treads

FALL 2004 www.finning.ca

Dream Farm

Producer builds dairy business from the ground up

TOOL BOX

Cat Rental Store makes Weyerhaeuser turnaround into a breeze

MOUNTAIN VIEWS

Building communities in the Lower Mainland

AGRICULTURE INDUSTRY REPORT

Farmers plowing through rough patch

*Ad Bertens
Olds, Alberta*

A FINNING (CANADA) PUBLICATION

Non-deliverable mail should be directed to: #201, 10350-124 Street, Edmonton, AB T5N 3V9 Canadian Publications Mail Product Sales Agreement #40020055



**Bring us your old,
worn or failed pumps...**

Introducing NEXUS™ parts.

We have a new line that includes exchange piston pumps and motors for Deere, Hitachi, Kobelco, Komatsu and Link-Belt excavators.

Each component is reconditioned to manufacturer specifications, priced competitively at a fraction of the new-part price, and is fully tested and backed by a one-year warranty. NEXUS pumps and motors are just a part of our hydraulic service offering for mixed fleets. Call us today to learn more about your one stop shop for parts.



NEXUS™ is a trademark of Caterpillar Inc.
All rights reserved.
© 2003 Caterpillar

**www.finning.ca
1-888-FINNING**



Departments

- 4 The Finning Focus
Your call is being answered
- 6 GroundBreaker
Engine road crew; The coolest of Cat oil; Best of the best; Legally speeding
- 10 The Tech Report
Look deeper into satellite technology for the farmer
- 11 Yellow Iron
New products and services from Finning
- 20 Safety First
The criminal code: responsibility for safety
- 27 Yesterday/Today
Celebrate the centennial with machinery of the past
- 35 Business 101
Plan to market yourself
- 42 Count On Us
Field Service

CONTENTS FALL 2004

Features

- 12 Designated Import
Import compactor carves a niche for contractor
- 16 Prizewinning Shutdown
Rental store's effort brings grade A results in Drayton Valley
- 28 Meeting the Challenge
Long hours on the steeps
- 30 Mountain Building
Developer builds with their own equipment
- 36 Field Test
Finning invades your desk
- 38 Open to Change
Good advice from Finning helps Whitecourt company work better

Industry Report

- 21 **Agriculture**
- 22 Down on the Farm
With all the bad news, farmers are squeaking through the rough times
- 24 Thinking Big
Olds dairy farmer takes growth seriously



ON THE COVER

AD BERTENS
OLDS, ALBERTA
PHOTOGRAPH BY CHAD JOHNSTON

The Human Touch

I gently pushed “one” on my touch-tone phone for service in English. Then, with increasing vigour, I jabbed the “one” button 18 more times. My modest goal? To get to that elusive customer service representative who would actually make the change to my postal code.

In the end, I gave up with plans to try again sometime – perhaps the day after the Canucks win the Stanley Cup. Or when my 18-year-old son spontaneously cleans up his room. You know, on days like those.

The problem is widespread, of course – a Google of the exasperated phrase “after-waiting-on-hold” brings up 792 hits. Seems the message “Your call is important to us and will be answered in the order received” isn’t offering much comfort. TV commercials have captured the customer angst. There’s the one where the customer is told his “call will be answered by the next available operator.” But halfway through the commercial, the man has fallen asleep, phone to his ear.

So isn’t it nice when you call a company and a real, live flesh-and-blood voice answers – and right away? I’ve noticed that we’ve got that going for us here at Finning (Canada). You can call Finning anytime, day or night, and connect to our Customer Support team – friendly people who are ready to help. I tried it the other night at 3 a.m. when I couldn’t sleep – I dialed 1-888-FINNING and a perky real, live voice was on the other end after two rings. They couldn’t help with my insomnia, but they quickly passed me on to someone who could process my parts order. I waited on hold for about 15 seconds and, bingo, there was Brent ready to take my order. Em-

barrassed I followed through, but my wife raised an eyebrow or two when the year’s supply of industrial-strength hand cleaner arrived at our front door the next afternoon.

So how’s the round the clock service provided by the Finning Customer Support Centre going over with customers? It’s clearly gaining in popularity. Our answering attendants handle 1,900 calls a day, and 90% of these calls are answered in one to two seconds. Parts calls, of course, take a little longer to process. But the longest anyone had to wait to talk to one of our parts pros, who incidentally combine for nearly 400 years of Finning experience, last week was 88 seconds. The bit of a wait is likely related to increased call volumes – parts-related calls have doubled from 15,093 in the first quarter last year to 30,192 for the same period this year.

Aside from these statistics, the most important evidence of solid customer service comes from the parts people themselves who help customers solve their problems one at a time.

Angus, a Customer Support Centre parts pro, recently helped a Finning customer who was in a bit of a panic to replace a screed plate on his paver. Angus sourced the part in a warehouse back East, but first had to ensure its measurements were correct – twice. Then Angus encountered considerable turbulence with the air carrier, which apparently had an aversion to shipping the 10-foot-long item. Once over that hurdle, Angus faced-off with another airline in Calgary, which flat out refused to board the item. Making yet another call, Angus



► ANDY GEDES, DIRECTOR OF CUSTOMER SUPPORT SERVICES, FINNING (CANADA)

“Parts-related calls have doubled from 15,093 in the first quarter last year to 30,192 for the same period this year.”

arranged delivery by truck to Edmonton and then hot-shotted the item to Grande Prairie. Finally, in a happy ending to this *Planes, Trains and Automobiles* like story, the customer got the part on the machine and completed the parking lot paving job – on time – much to the satisfaction of his customer who planned to move into a new building the next day.

In daily, small ways like these, Angus and the rest of the Finning Customer Support Centre team live up to their billing. As one-to-one business guru Don Peppers says: “The secret to good service, really, is to treat your customer like you’d like to be treated yourself.” Angus and the Finning Customer Support Centre team clearly have it mastered. But sadly, it’s something those *I, Robot* automated message centres will never be able to achieve.

Tracks & Treads

FALL 2004 Volume 41, No. 3

PUBLISHER

Ruth Kelly
rkelly@venturepublishing.ca

EXECUTIVE EDITOR

Jeff Howard
jhoward@finning.ca

EDITOR

Malcolm Sword
msword@venturepublishing.ca

ART DIRECTOR

Tamara Powell-Surtees
tpowell-surtees@venturepublishing.ca

PRODUCTION

Gunnar Blodgett
gblodgett@venturepublishing.ca

CIRCULATION MANAGER

Rob Kelly
robkelly@venturepublishing.ca

ADVERTISING REPRESENTATIVE

Anita McGillis
amcgillis@venturepublishing.ca

CONTRIBUTING WRITERS

Robin Brunet, Gord Cope, David DiCenzo,
Keith Haddock, Tony Kryzanowski, Jim Stirling,
Bill Tice, Kerri Tremblay, Jim Veenbaas

CONTRIBUTING PHOTOGRAPHERS AND ILLUSTRATORS

Sylvie Bourbonnière, Dustin Delfs, John Gaucher,
Chad Johnston, Bill Tice

Tracks & Treads is published to provide its readers
with relevant business, technology, product and
service information in a lively and engaging manner.

Tracks & Treads is published for
Finning (Canada) by

Venture
PUBLISHING INC.

Venture Publishing Inc.
#201, 10350-124 Street
Edmonton, Alberta
T5N 3V9
Phone: 780-990-0839
Fax: 780-425-4921

Contents © 2004 by Finning (Canada)
No part of this publication should be
reproduced without written permission.

www.finning.ca



Lexion Combines devour more crop per hour than any other combine in the field.

Model	Cylinder Width	Separation Type	Tracks / Wheels
450	56"	Straw Walker	Wheels
460	67"	Straw Walker	Wheels
460 R	56"	Rotary	Wheels
470 R	56"	Rotary	Wheels
475 R	56"	Rotary	Tracks
480 R	67"	Rotary	Wheels
485 R	67"	Rotary	Tracks

With more capacity than competitive machines, the LEXION® Combine offers high horsepower for superior speed and efficiency. Experience increased harvesting productivity and the ability to harvest long hours -- even in damp conditions, wet straw, and green crop. The long wide feederhouse handles large heads comfortably and lets you harvest more crop per hour than any other combine in the field. The LEXION® Combine's smooth-feeding headers, wide feeder-house, patented Accelerated Pre-Separation (APS) system, and unmatched separation, cleaning and grain handling systems all work together to finish the job faster and more efficiently than you thought possible.



LEXION

www.finning.ca
1-888-FINNING

Finning Branch Takes Service on the Road

Just like the relentless Western Conference Champion Calgary Flames, the folks at Finning Power Systems in Calgary have been out looking for ways to win customer satisfaction. Winning hockey's Holy Grail isn't the ultimate goal in this high-octane game – the team's game plan is to provide high-end overhaul service to clients in their own rinks. The Finning branch has flexed its creative muscle and transformed a 20-foot race car trailer into a complete mobile engine overhaul centre that's proving to be an effective vehicle in providing quality and convenient service to customers.

The Finning staff and trailer travel right to the client, saving time, hassle and perhaps most importantly for the customer – money. "It's really loaded," Finning's Brad Moody says of the mobile workshop, designed to service and overhaul G3500 and G3600 series Cat engines used in the oil and gas industry.

And 'loaded,' is this unit's middle name. From the outside, the trailer is simply a big metal box with wheels – nothing special. But inside, it's equipped with state-of-the-art tools and equip-



ment needed to complete a thorough engine overhaul, including an arbour press, drill press, varsol tank, sandblaster, portable generators and even a hydraulic press for tooling. The working area is a clean, safe place to prep for an overhaul. Moreover, the setup has a real professional flavour to it.

Moody adds Finning field technicians were instrumental in developing the trailer, betting on the advantages of going to the customers rather than having them haul engines from the field, which, in some cases can cost \$2,500 just to transport an engine into the shop. "We can meet all the customer's needs right there (at their location)," he says.

Word's catching on, too. The Power System's team had already done about 30 overhauls with the trailer by June and more are definitely on the horizon as clients have gushed about the new service.

Cat Oil Provides Premium Solutions

In a corner of the world as rich in resources as Western Canada, the importance of oil is never understated. Caterpillar takes the exact same approach with its own varieties of liquid gold. And despite the complex, processes involved in developing oil types, be it the Arctic DEO SYN (for harsh, sub-zero climates) or the HYDO (hydraulic oil), the desired end is clear.

"We want customers to get full value for Cat oils," says Finning's product manager Dave Zesko.

Sounds simple, but how's that done? Well, it begins early on in the development phase, as Cat utilizes its extensive resources to go above and beyond the competition. Some companies just meet the minimum specifications of the American Petroleum Institute.



Cat, on the other hand, understands the value of doing everything in-house. All base oils and additive packages are tested thoroughly to ensure they meet Caterpillar's high standards. In some cases, it may cost up to \$500,000 to develop and test an oil.

"Most oils have a base stock and additive package that are tested to API specs and then sent to market," says Zesko. "Cat does additional testing before it goes to market."

For example, Cat will take a 3406 engine and do a 500-hour test. Zesko says that the Cat oils contribute to improved soot dispersancy, longer ring life and increased oxidation stability, which reduces sludge and viscosity under high temperature conditions.

So the next time you go to a Finning retail store, dish out a little more change for Cat oils. Your engine will thank you.

PHOTOGRAPHY BY JOHN GAUCHER, DUSTIN DELFS

By the Numbers

Average number of minutes Canadian consumers spend waiting for help in a retail store:

12



Rank of contractors, supervisors, trades and related occupations on the anticipated labour shortages list linked to the Olympics and related capital projects in B.C: **1**



Average number of seconds Finning customers wait on-hold for service from a parts professional through 1-888-Finning: **30**

Percentage jump in housing starts in B.C. for the first quarter of 2004 compared with the same period in 2003: **44**



Amount spent on customer satisfaction activity in the U.S. over the past six years: **\$800,000,000**

Number of U.S. companies thinking of relocating to Vancouver in 2002: **22**

Amount UK soccer star David Beckham paid for a pair of Johnny Depp's pants, which he has framed in a glass case in his bedroom: **\$4,165.28**

Number of U.S. companies considering the move in 2004 so far: **27**

Price of a Don Cherry "Ya wanna go" vintage t-shirt on eBay: **\$4.61**

Number of people injured seriously enough to take time off to recover in Alberta in 2003: **33,000**



Price of Cat melton-suede jacket from Finning's Heavy Duty Gear store online: **\$286.67** ▶



Number of Alberta schools including occupational health and safety as part of their programs in 1995: **4**

Percentage growth in Fort McMurray's population since 2002: **15**

Number of schools involved in 2003: **560**

“When I went there, I didn’t know what to expect.”



Curtis Ritchie

Welder Reaches for the Top

Curtis Ritchie figures he was about 10 years old when he got his first taste of working a welding gun. On weekends, he would hang around near his father Ron at Ritchie Brothers Construction in Saddle Hills County – where Curtis works today – and try to create objects out of a bucket of rusty bolts. Ron had gotten a new mig welder and the lad was more than happy to follow in his dad’s footsteps, embarking on all sorts of little projects.

There was one problem, however. “The welder at the shop would come in and throw out all my stuff,” Ritchie, now 21, recalls with a laugh. “Then I would go retrieve it. I was a real pain in the butt.”

That early persistence with the trade has paid off handsomely for the Northern Alberta Institute of Technology student. Ritchie was recently crowned the country’s national post-secondary welding champion at the Canadian Skills Competition held in Winnipeg. The talented welder bested 12 other participants, who represented each of the provinces and territories throughout Canada.

“When I went there, I didn’t know what to expect,” says Ritchie. “I would’ve been happy to maybe get third. They announced my name and I thought, ‘holy crap.’ It was definitely a big surprise.”

Ritchie’s journey to the national title began when he took an unexpected phone call from Alberta Apprenticeship and Training Board earlier this year. In the final year of his apprenticeship at

NAIT, Ritchie was invited to the provincial competition, where he competed against nine other post-secondary welders from across Alberta.

Competitors were required to execute a few pipe welds and make a vase. Ritchie took a pretty pragmatic approach to the whole thing, his only concern being to go in and do the required work to the best of his ability. “I guess it turned out all right,” he says modestly.

From there, Ritchie went off to Winnipeg and took part in a similar competition, though it was a little more extensive, with 12 hours of welding stretching out over the course of two days. He says it was a “fairly serious” environment but definitely a good time in that he met people from every corner of the country. Eventually, Ritchie’s superior focus and attention to detail proved useful as he successfully made his way through the various assigned projects and required welds. He may have surprised himself with the victory, but given the keen interest he developed at such an early age, it’s not all that shocking. Especially to those close to him.

“We’ve been in business for 23 years and he’s grown up with it,” Curtis’s mother Laura says of her boy’s many abilities.

The next potential step is an international competition scheduled for Helsinki, Finland in May 2005. Ritchie is unsure of whether or not he’ll make the trek to the Scandinavian country.

PHOTOGRAPH BY DUSTIN DELFS

Finning's Quarter Mile Northerners

A quarter mile in 9.29 seconds. To go that far, in that minuscule amount of time, Foji Dhansaw's beastly '86 Camaro had to reach an unbelievable 155 mph. As one might imagine, the customer account manager from Finning's Fort St. John branch in northern B.C. is a speed freak to be sure, but local pedestrians need not be concerned – Dhansaw reserves such rubber burning exploits for drag racing events at the Northern Lights Raceway.

In fact, a good portion of the Finning branch staff has caught the race bug, too.

"There's lots of race talk at work," says Dhansaw, who moonlights as the track president. "Sometimes, too much."

As part of the All Peace Drag Racing Association, Dhansaw and the crew typically get in about two or three races a month throughout the May to September schedule, the biggest event being the Fountain Tire Bracket Nationals in mid-July, featuring 150 cars, 10 nitro-burning Harley bikes and a whopping \$15,000 in prize money. Branch operations manager Chris Bain and Power Systems PSSR John Malinowski both play the role of tech inspectors (along with former employees Jay Kennedy and Vern Heinrichs), while Power Systems chargehand Don

Workman has the crucial role of race captain and staging line co-ordinator.

According to the drag racer himself, there's never a shortage of volunteers from the branch helping out down at the track on race days. Even branch clients like DGS Astro Paving, Core Pipelines and Rudiger Enterprises chip in time, effort, equipment and money to make the track a leader in Western Canada, allowing the big yellow Camaro ("not Cat yellow," Dhansaw kids), equipped with a 496 cubic inch Chevy Big Block, to do its thing. Those three companies are all volunteering to work on extending the track by 550 feet, so faster cars and bikes can be brought into the mix.

"Everybody puts their business life on hold for the weekend," says Dhansaw. "It's such a big team effort. You get to know the personal side of people."

"And the amount of customers involved is incredible," he adds. It just blows you away."

Dhansaw first got the racing bug about 10 years ago. The rush is undeniable, especially when there's a capacity crowd down at Northern Lights cheering you on. Dhansaw is fully aware of how easily things can go awry when you're pushing a powerful machine to the brink.



There's never a shortage of volunteers from the branch helping out down at the track on race days.



► The Tech Report

THE EFFECTIVENESS OF SATELLITE TECHNOLOGY IS NOT ALL HEAVEN SENT. **TONY KRYZANOWSKI** EXPLAINS HOW TO GET THE BEST FROM A GLOBAL POSITIONING SYSTEM

Signal Strength

Global positioning system (GPS) guidance and auto-steering used in farming continue to evolve to serve increasing efficiencies and eliminate the shortcomings of the 'human factor' in cultivating operations. Guidance systems allow users to minimize the distance between runs during seeding and spraying operations. Those not equipped with GPS must rely on visual judgement to estimate the distance between passes while pulling implements as wide as 18 metres, at speeds up to 15.5 kilometres per hour. Throw in less than ideal visual conditions or rolling terrain and the dollars can add up from missed application. The shaping of 'rabbit runs' – an area between passes that have not been seeded, fertilized, sprayed or harvested – are obviously wasteful. As a countermeasure, many farmers will overlap runs which has financial consequences – a one metre overlap with a 4.5 metre implement represents about a 6% input waste. Furthermore, overlapping chemicals can lead to a condition called 'double carryover' and result in zero crop output from a strip of soil the following year. Finally, failing to treat areas especially during desiccation can result in the growth of weeds.

Recent advances have made GPS technology more affordable to farmers. Satellite data allows operators to know exactly where machinery is in relation to the previous pass in daylight, nighttime or poor visual conditions such as flying dust. Add-in GPS auto-steering and a farmer can let the tractor drive itself while it follows a path based on the GPS signal received and interpreted by the auto-steering system, similar to the auto-pilot in an airplane. Savings and income delivered by a quality GPS guidance and auto-steering system helps offset the

cost of installation and a subscription to a high quality GPS signal provider.

The effectiveness and reliability of GPS signals are an issue in a game that is now being measured in centimetres. Farmers in Western Canada use either of two services, and there are differences both in cost and reliability. OmniSTAR is a user-pay service capable of delivering a signal to the receiver in the tractor. The Wide Area Augmentation System (WAAS), on the other hand, is a free service, however, some system



users have found that this signal is not nearly as reliable nor accurate as the subscription service.

Hendon Farms subscribes to OmniSTAR and has come to depend on the consistent delivery of signal. Part owner of the Lloydminster, Alberta operation, Terry Fleming says they used the WAAS signal for a time, but, as it is with all things free, it proved to be unreliable in availability. "It's nice to have it (the GPS signal) working all the time," he notes.

The other side of satellite technology is what's happening on the ground with the equipment. Two guidance products that

Finning supplies for installation on Cat Challenger tractors are manufactured by KEE Technologies and BEELINE Technologies, Inc., both of which are renowned global suppliers of the technology. Choice of which system to use really depends on individual circumstances. Hendon Farms uses a BEELINE guidance and auto-steering system for its machinery to cultivate 2,500 hectares. The system was installed when they purchased their new Caterpillar Challenger MT 865 tractor from Finning. It pulls a new 19.5 metre, 5710 Bourgault air seed drill – also a line marketed by Finning.

The backbone of the BEELINE auto steering system is its Arro Sub-meter device which can be upgraded to measure within centimetres the space between passes and even allows the operator to change the width of the implement. Fleming says that seeding manually (using visual references) to line up a field is always costly and slow. With his auto-steering system, directional adjustments using the GPS signal and auto-steering ensure that each run, regardless of terrain, maintains the programmed distance from the previous.

This pays dividends down the road; as the crop grows, each seeding pass is obvious. This makes life a lot less stressful for the sprayer operator, who must accurately navigate a 12-metre sprayer while attempting to minimize overlap.

The ZYNX guidance system is the central component of the KEE system and is customizable for a variety of functions, such as spraying, fertilizer spreading, seeding and planting, harvesting and anhydrous ammonia application. The ZYNX Auto Steering kit provides flexibility to distance accuracy between passes and the benefit of portability from one vehicle to another.

Fleming adds that the computer system installed in his Challenger is simple and easy to operate and has proven very reliable in guiding auto-steering operations and has even performed accurately while seeding at night. "We think the investment was definitely worthwhile," he says.

YELLOW IRON

New Products and Services from Finning



Grading made easy

The AccuGrade Laser Grade Control System, a new technology tool from Caterpillar, allows dozer operators to grade and fill with increased accuracy without the use of traditional stakes or grade checkers. Ask your Finning representative about the AccuGrade System that can significantly improve the productivity and accuracy of grading equipment – by as much as 50% over conventional methods.



Caterpillar machines are built to be rebuilt

The extensive Caterpillar Certified Rebuild program incorporates the very latest Cat technology and critical engineering updates into your machine at a fraction of the cost of buying new. After a thorough evaluation, including more than 350 tests and inspections and the automatic replacement of approximately 7,000 parts, you get a like-new machine and warranty.



Confidence at competitive prices

Cat Classic Parts offer a repair option that matches your budget for older machine models. The Classic line includes parts for those higher cost repairs that drive your expenses up and your profits down. If the remaining life of a machine and the way you use it demand a lower up-front investment, ask for Cat Classic Parts.



Heavy duty gear

Find what you're looking for at the Heavy Duty Gear Store – one of nearly a dozen online services you can tap into at www.finning.ca. Choose from an extensive array of authentic Cat and Heavy Duty Gear merchandise – hats, diecast models, shirts, mugs, backpacks, toys, watches and more. Check out the latest gear which you can purchase online.



B.C. company discovers
an attachment for the
North American market

Designated Import

BY BILL TICE



Being in the right place, at the right time, can prove to be invaluable in business. That was the case for one of Finning's customers, Delta, B.C.-based Rush Contracting, has found itself as the exclusive North American representative of a highly productive compacting attachment, which can be fitted to Caterpillar hydraulic excavators.

"We really came across this piece of equipment quite by accident," explains Joe Miller, one of the three managing partners at Rush Contracting. "I was meeting an engineer friend by the name of Brian Wilson for lunch one day, and we happened to pick up a British engineering magazine that included a photo of the hydraulic compactor. Neither of us had seen anything like this before and Brian became quite intrigued with the concept. He did some research, and came back a couple of months later and suggested that we take a closer look."

Armed with the limited amount of background information they could find on the attachment, which is officially called the Rapid Impact Compactor, or RIC, Miller and his two partners, Rus Peters and Ron Hardie, headed off to England. They met with the manufacturer, Ipswich-based BSP International Foundations, and visited U.K. construction companies using the attachment. It didn't take the Canadian trio long to conclude that there really was nothing similar to the RIC on the North American market, and in April 2001, they signed the contract for what was the first RIC to be delivered to North American soil.

As part of the deal, Miller asked BSP for a North American exclusive on the attachment, which the manufacturer was happy to pro-

vide, as it gave them knowledgeable representation in what could be a potentially huge, new market. BSP had been successful in selling the attachment to other markets and has 30 to 35 of the RIC's in operation worldwide, but they had not been able to crack the North American market, so this agreement looked like it could be beneficial to both parties.

"We really feel that we have developed a great working relationship with Rush Contracting," explains David Redhead, managing director of BSP in Ipswich, England. "It is a partnership that works for both sides. Rush knows they have an exclusive on the product in North America, and we know that our interests are being looked after properly in that marketplace."

Prior to the deal with BSP, Rush Contracting was already very familiar with the market for soil compacting in the greater Vancouver area, as they have specialized in site preparation and pre-load work since starting the company 13 years ago. Pre-load involves placing sand in areas where permanent structures will be built. The sand, which must be 1.5 times the weight of the finished structure, is moved onto the site and then positioned with articulating trucks, where it must remain for up to eight months. The weight of the sand compacts and consolidates the underlying soil, preventing differential settlements where one corner settles and the other does not.

Adding the RIC to their equipment stable did not eliminate the company's share of pre-load work. In fact, Miller says the acquisition of the attachment has actually brought them more work as the RIC complements their pre-load capabilities. "The RIC is not



► RUSH SITE PREPARATION PUTS 970F WHEEL LOADER TO WORK

“We wanted to expand beyond the greater Vancouver area, and we decided that mounting the RIC on a Caterpillar carrier would make the most sense for our market,” says Rush’s Joe Miller.

competing with our pre-load services because for pre-load, we are trying to secure work that requires soil densification of more than 20 ft. For sites that require densification of less than 20 ft., the RIC is an ideal choice, as it is much more efficient than pre-loading. In the past, jobs requiring less compaction than 20 ft. could have been done by dropping an unspecified weight, or a stone column, from a crane to the ground, which is not overly cost effective, productive or accurate.”

With the RIC, a 7.5 tonne weight is dropped from a controlled height of four feet onto a patented foot. The foot, which stays in contact with the ground to allow the efficient and safe transfer of the energy, is hit at a rate of 40 to 60 blows per minute. A data acquisition system, which is essentially an onboard computer and printer that is mounted in the cab of the carrier machine, numbers each hole, and monitors every hit the weight makes, recording the

drop height, the number of blows, and the penetration per blow. The computer output includes the total energy input, total penetration, and final set per blow for each compaction point.

Miller points to a job in Whistler, B.C. as an example of how efficient and cost effective the RIC can be. “This was our first big breakthrough with the RIC in North America. It was in the summer of 2002, and it was used in the construction of a three-to-four storey underground parking lot. Initially, the engineers for this project had planned on using a raft slab to eliminate the time required for pre-load. This method is extremely expensive as the raft slab is made from two feet of concrete, so we brought the RIC to the site and completed a test area. At that point, the engineers decided they could use the RIC for the compaction and then use regular footings for the structure. In total, we estimated that the developers saved \$1.5 million by using the RIC.”

PHOTOGRAPH BY BILL TIGER

The Rapid Impact Compactor was brought over from England by Rush Contracting and has proven to be extremely cost-efficient for construction site preparation.

With several successes under their belt, and demand for the RIC increasing, Rush took delivery of a second compactor from BSP last November. The first RIC had been mounted on a non-Caterpillar machine, but for the new addition to the fleet, Rush went with a Cat 345 excavator as the carrier.

“We wanted to expand beyond the greater Vancouver area, and we decided that mounting the RIC on a Caterpillar carrier would make the most sense for our market,” explains Miller. “Cat is very well represented throughout North America and has an outstanding reputation for the quality of their service. We are comfortable taking our Cat machines into any area, knowing that we can obtain prompt service and technical help from any Cat dealer should we need it.”

Miller stresses that Rush Contracting does not sell the compactors, but only supplies the service. “When a customer contracts the machine for a job, we supply the carrier, the RIC, and the operator, and we charge by the square foot.”

Rush also looks after shipping the carrier and RIC to the job site, which is done with two trucks – one for the carrier and one for the attachment. The two pieces can be assembled on site in about an hour with just five quick couplers, three pins and one electronic connection.

Right now, one of the two Rush RICs is working on a mining site in Sudbury, Ontario, while the other machine is on a long-term job in Southern California. A third RIC, which will also be coupled with a Cat 345, was delivered to Rush in July. “We could get a call tomorrow to ship another machine to a job site anywhere in North America, and we wanted to be ready,” adds Miller. “We are currently attending geotechnical seminars where we can reach the engineers with our message, and it looks like in the fall, we will be doing some testing in the Alberta oilsands. There is really no limit to how far this business can grow.” ■



D5 track-type tractor



330 BL excavator

Long term Partners

Rush Contracting has worked with Finning since the company was established in 1991, and their first piece of iron was a Caterpillar D3, which was acquired on a lease. Today, Rush operates a number of pieces of Cat equipment in addition to the two 345's that are used exclusively with the RIC.

Other Cat equipment used in site preparation and pre-load work include:

- 3 – 330 BL excavators**
- 1 – D6 track-type tractor**
- 2 – D5 track-type tractors**
- 1 – D4 track-type tractor**
- 2 – CS563D compactors**
- 1 – 970F wheel loader**

Rush Contracting does not have a repair shop or any mechanics on staff, so in addition to running Cat equipment, they have a full service agreement with Finning for maintaining their Cat fleet.

▶ EQUIPMENT PROFILE





Maintenance of Drayton Valley mill is made smoother with Finning's mobile tool crib service

Prizewinning Turnaround

BY TONY KRYZANOWSKI

A plant shutdown/turnaround is a lot like an episode of the television series *24*, where everything happens over a short period of time in an environment with a lot of intense action. As one Finning client recently discovered, calling in the plant services professionals from The Cat Rental Store reduces the anxiety level within this intense, pressure-packed environment.

A shutdown/turnaround is generally an event where a large industrial production facility shuts down part or all of its operations temporarily to upgrade and repair existing equipment and/or install new components. The mission often requires a virtual army of trades people on site to conduct the work over a short period of time to minimize plant downtime. Some are planned as far as two years in advance.

In a shutdown/turnaround situation, time is of the essence – every hour a plant is down can have enormous cost implications. Decreasing the amount of time it takes to gain access to the support tools is a major way to reduce overall costs.

Last fall, Weyerhaeuser in Drayton Valley, Alberta contracted The Cat Rental Store to supply a mobile tool crib that included 12 separate job boxes along with support equipment such as power generators and light towers to complete its annual mid-March shutdown/turnaround. It occurred over a 95-hour period and involved as many as 250 extra trades people on site. When the plant started back up again, 96% of the planned work had been completed and there was only one minor first aid incident.

PHOTOGRAPHY BY DUSTIN DELFS



“The biggest benefit to us was not just the tool crib but the job boxes,” says Weyerhaeuser’s Glen Rodrigue.

Weyerhaeuser maintenance co-ordinator Glen Rodrigue and maintenance team leader Ken Froese were both impressed with how well The Cat Rental Store employees Len Remesz and Kirt Weir had planned, prepared and properly stocked the mobile tool crib and job boxes. They were also pleased that the tools were on site and in place prior to the arrival of the shutdown/turnaround crew. “We were able to get at the required jobs almost immediately,” says Froese. “I know in past shutdowns I’ve been involved in, the first half of the first day is a bit of organized chaos. On this job, we saw maybe an hour of that.”

In addition to greater efficiency, Rodrigue says there was considerably less frustration

being expressed by trades people because of quick access to the tools they required. They were very focused on the tasks at hand, and because everyone was so focused and in a good frame of mind, this also created a safe working environment.

“I thought the biggest benefit to us was not just the tool crib but the job boxes,” he says. “We had given The Cat Rental Store people a list of jobs and what tools we would need for those specific jobs. They then delivered job boxes to us that were matched with those jobs.” Each box was labeled by job name, with a work order, a contact person and set in place prior to the shutdown starting.

Planning for the Weyerhaeuser job began five months before the work program was scheduled. Remesz brought The Cat Rental Store's new shutdown/turnaround and mobile tool crib supply service to the forestry company's attention. Rodrigue says Weyerhaeuser recognized the benefits of contracting The Cat Rental Store to provide the service almost immediately. Discussions leading up to the event simply became an exercise in fine tuning Weyerhaeuser's specific needs and timing the arrival of the mobile tool crib and accompanying support equipment. The Cat Rental Store provided Weyerhaeuser with its planning tool – the shutdown planner – to help streamline the pre-staging process. The 119-page document catalogs the variety of tools available as part of a rental package for shutdown/turnarounds. "It certainly was a good starting point," says Froese. "It instigated a lot of thought on our part as to what our requirements were going to be for tools."

Because this was Weyerhaeuser's first experience renting a comprehensive package from The Cat Rental Store, company planners largely left it up to the experienced professionals at the rental outlet to provide the proper equipment for this project. "We went into this with the understanding that it was going to be a learning experience," says Froese. "We hoped that at the end of this project, we'd have a very good idea what exactly our requirements would be the next go-round. Next time, we will have a tool crib that will very closely match our needs." Both Rodrigue and Froese testify they would definitely use this service again.

Since launching the service about a year ago, The Cat Rental Store has rented literally thousands of mobile tool cribs through its 25 outlets in Western Canada.

The exterior appearance of a mobile tool crib looks very much like a moving van and contains tools commonly used by pipefitters, boilermakers, electricians, plumbers and other tradespeople. A unit can be prepared

When Weyerhaeuser contracted The Cat Rental Store to supply a mobile tool crib that included 12 separate job boxes along with the support equipment needed for a plant shutdown, they benefited from the efficiency, cost-effectiveness and quality of service.



and delivered overnight in extreme cases. Customers have two options for manning it: they can use their own staff, or contract Finning personnel to manage the tool crib for them. The Cat Rental Store keeps track of its tools and utilization using a bar code scanning system. Tools and a bar code usually affixed to inside of the hard hat of each designated worker are scanned when tools are signed out and signed back in.

"This system minimizes loss," says Remesz. "It tracks costs according to each project and/or contractor, and ensures that the tools are fit for use."

Given the nature of industrial activity in Western Canada, this rental service was designed specifically to meet the needs of oil and gas, petrochemical and forest industry plant operators. The mobility of the tool crib, given the remote location of many resource extraction plants, is extremely popular with customers who regularly need a well-stocked tool crib on a temporary basis to service these remote installations. However, the mobile tool crib will fit the needs of basically anyone operating a plant of any kind faced with a shutdown/turnaround situation. ■

▶ Safety First

CHANGES TO THE CRIMINAL CODE BROADENS THE SCOPE OF SAFETY RESPONSIBILITY, WRITES **KERRY TEMBALY**. NOW SAFE PRACTICES ARE REQUIRED ON THE SPORTS FIELD AS MUCH AS AT THE WORKSITE

An Everyday Safety Culture

Sometimes changes in laws seem far off and irrelevant to the ordinary guy or gal who goes to work, does the job, goes home to supper and then heads out to the kids' ball games or the hockey arena.

In the case of changes to the Criminal Code of Canada that came out this past spring on health and safety issues (Bill C-45), the changes affect every Canadian at work. The changes may even reach into your private life, for volunteers with organizations like junior hockey.

While this sounds like scare-mongering, it's not. Beyond the corporate board room and the media frenzy, the amendments to the Criminal Code bring safety more into everyday life and should be thought of in that light, two experts suggest.

How? First, the definition of an organization in the Criminal Code was broadened to include trade unions, volunteer groups, partnerships and other public bodies. This means that kids' hockey, little league teams and outdoor adventure organizations are subject to the same federal rules and could be open to criminal charges if enough attention isn't paid to safety. Second, the change makes it clear that every member of an organization, from the board members to the lead hand could be criminally liable for causing injuries or death to those under their direction by recklessly putting them in danger. And third, the charges could take a huge toll on any person – from jail time to hefty fines and a criminal record, if convicted.

Safety specialist Joel Waterman, a lecturer, safety expert and professional engineer at Rushbury Valley Services of Burlington, Ontario, provides the example of a junior hockey league where coaches and managers

make no attempt to ensure players are wearing proper protective equipment, such as visors. If enough players are hit in the face with sticks and there is no attempt to prevent this from happening or to protect the kids appropriately, there could be criminal charges placed by police against the league, coaches and team managers, even though all are volunteers.

In the workplace, the same kind of logic applies, but on a much larger scale. Waterman says that the ordinary worker likely wouldn't be prosecuted under the Criminal Code for most actions, but his or her employer could be. "Employees aren't assumed to have a lot of knowledge," he says. "But employers have a duty to train them (so they can do their jobs effectively)." The employers will end up being charged when they should have known that the actions employees were using were unsafe and they did nothing about it.

Beyond the punishment aspect of the changes in the Criminal Code is the approach a worker and a company need to take toward training, says Dennis Locking, manager of human resources, Volker Stevin Contracting Ltd. in Calgary, whose corporate responsibilities include risk assessment, loss, safety and legal issues for the road-building firm." Training has to have a thinking and evaluation component. An employer who does not want to train that way should be viewed with scepticism."

He adds that there should always be an atmosphere of trust and caring on a work site, not confrontation. Locking points out that even before a worker spends any time on a site, he should receive training, so that he understands the job and the company's attitude toward safety and learning. "The



“The employee needs to be comfortable on the work site,” says safety expert Dennis Locking.

employee needs to be comfortable on the work site,” he says. “Workers need to know that they are valued and that safety is valued.” Moreover, employees should have the freedom to question their supervisors on any aspect of the job or safety without fear of losing their jobs, Locking notes. “If the employer is offended (by non-confrontational questioning), then it’s a warning sign (that safety and learning might not be a top priority at that company).”

Locking advocates a team approach to safety at the workplace. He goes on to say that the philosophy of safety as a normally accepted practice, not just an add-on, should set the tone at a company. It’s the company culture, not fear of punishment, that ensures maximum safety.

ILLUSTRATION BY SYLVIE BOURBONNIÈRE



Industry Report

Agriculture ▶

22

Down on the Farm

With all the bad news, farmers are squeaking through the rough times.

24

Thinking Big

Dairy farmer takes the bigger is better approach

Alberta and British Columbia are multi-billion dollar players in the agriculture business. Each has had a rough time with uncontrollable events in the past couple of years – drought, mad cow, avian flu and the rising Canadian dollar have conspired to take some of the punch out of the industry. But farmers are a tough breed and optimistic that next year these troubles will be behind them.

PHOTOGRAPHY BY CHAD JOHNSTON AND JOHN GAUCHER

PHOTOGRAPH BY CHAD JOHNSTON



Brent McBean

Down On The Farm

Farmers strive to survive through tough times

BY JIM VEENBAAS

A

hallmark of Western Canada's farming community is the commitment to the way of life in an industry that rides in the wave of economic cycles. The past couple of years have tested the grit of growers and ranchers in Alberta like no other period since the 1930s. Meanwhile, British Columbia's more diverse agricultural sector has shown more resilience to the ebb and flow,

though the economic fallout from the avian influenza outbreak earlier this year in the Fraser Valley is expected to have significant impact on the poultry industry.

The bovine spongiform encephalopathy (BSE) crisis and three years of extreme drought have dealt a crushing blow to the Alberta's \$7 billion agriculture sector. Many Alberta farmers are struggling to stay afloat after net income plunged a staggering 73% in one year – from \$2.1 billion in 2002, to only \$575 million in 2003. "A lot of farmers and ranchers across Alberta are hanging on for dear life," says Rod Scarlett, executive director of the Wild Rose Agricultural Producers. "People are surviving on inventory and bank loans and off-farm income, and there doesn't seem to be a light at the end of the tunnel."

The B.C. industry has remained buoyant over the past few years, despite impacts of BSE on its cattle sector – total farm receipts exceeded \$2.2 billion in 2003, just 2.2% off the 2002 total, but 7% higher than the previous five-year average.

"While the industry has faced challenges in certain sectors, particularly with avian influenza and BSE, over-

all, the industry continues to grow and make a very positive contribution to the province," says Steve Thomson, executive director of the Kelowna-based B.C. Agricultural Council. "B.C. has a very diverse industry; we've got 200 different commodities, although some may struggle (such as) the beef and poultry sectors, many other sectors have had very good returns," he notes.

The poultry industry contributed \$344.5 million to the provincial agricultural mix in 2003 and estimates have put the direct, negative financial impact of the avian flu crisis in the order of \$60 million to \$70 million with indirect economic repercussions reaching \$330 million to the service, supply and feed sectors. Upwards of 19 million chickens and turkeys were destroyed this spring in a cull designed to eradicate the virus in the Lower Mainland.

Although cash receipts have remained steady, the B.C. industry followed the rest of the country with declining income for farmers. Total farm income slid dramatically to \$59.9 million in 2003 – a \$59 million drop from 2002 income. Higher operating costs and the appreciation of the Canadian dollar which impacted negatively on export sales contributed to the diving income figures.

In Alberta, withering profits can be traced back to the drought that hit in 2001 and is still gripping some pockets of the province. The dry weather slashed crop production, especially through 2001 and 2002, culminating in soaring costs of feed for cattle.

But the biggest blow hit the province on May 20, 2003

when a single case of BSE was discovered on a ranch in northern Alberta. More than 30 countries responded by closing borders to Canadian beef, including the United States, which accounts for 86% of Alberta cattle exports. The result is an unprecedented drop in exports and plummeting prices making it almost impossible for a farmer to turn a profit on cattle production.

“This has almost been a surreal experience. I can’t truly tell you what everyone around me is thinking, but for some of them it’s been absolutely dire. A lot of guys have diversified into the oilpatch and I don’t mean buying an oil company,” says Brent McBean, who runs a 4,300-acre farm with his father near Strathmore, just east of Calgary.

According to a report from Statistics Canada, farm families that derive the bulk of their income from cattle sales have seen their average annual income slashed by a third, from \$60,000 to \$40,000. In addition to the 33% drop in income, the study also found that the number of farm families in the cattle industry with an income under \$20,000 jumped to 27% in 2003, up from 14% in 2000.

Those figures don’t surprise Andrew Peden, a Minburn, Alberta farmer with cattle and canola. The crisis is the worst he has seen since becoming a full-time farmer in 1985. Peden has managed to keep afloat by cutting expenses, taking out equity from his farm and getting timely support from some understanding bank managers.

“We didn’t have crop insurance last year so we took a beating, and we could take another beating this year. There comes a time; if you can’t make money, what’s the point? It’s been getting worse and worse for 20 years, with our margins getting smaller and smaller,” says Peden, who gave up a high-paying job as a heavy-duty mechanic to take over the family farm.

As for McBean, he considers himself more fortunate than some producers. Like everyone else, he’s suffered severe losses from cattle, but strong crop sales have offset some of those losses.

“Fortunate is not the right word because we’ve worked very hard to put ourselves in this position, but we’re in an area where we can grow top quality malt barley, top quality wheat and we’re in an irrigation district where we can hedge our bets by having enough irrigation to grow feed for our cattle,” says McBean.

“This has almost been a surreal experience. I can’t truly tell you what everyone around me is thinking, but for some of them it’s been absolutely dire,” says Alberta rancher Brent McBean.

This strategy of diversification is the saving grace for McBean and his family. With nearly seven sections of land, 200 head of cattle and a variety of different crops, the farm has always generated sustainable revenue. For nearly a decade, strong cattle prices propped up weak crop sales, but those roles were suddenly reversed last year.

“If you go to someone who is strictly dealing with cattle, that scenario is deadly. If you’re going to put all your eggs in one basket, you better be damn sure you’re the one carrying the basket. In this case, the Americans are carrying the basket,” McBean says. This farm will celebrate its 100th anniversary in 2008 and my dad says it’s never let him down. The reason this farm is going to see the other side of this crisis is because we’ve been doing it for 100 years, very slowly building and learning from mistakes.”

The general consensus is that most farmers in both Alberta and B.C. will likely weather the hardship brought through drought, BSE, avian influenza and other variable economic fates. However, there is little doubt these catastrophic events will push businesses to failure and some restructuring and likely spark consolidation in some sectors. According to the latest census there were 53,652 farms in Alberta and 20,290 in B.C. Alberta lost nearly 5,000 farms between 1996 to 2001, while B.C. saw about 1,441 operations evaporate. Declines in the number of farms in Canada has been a steady pattern for decades as smaller producers sell out to larger producers which have better capacity to withstand fluctuating prices and control costs over the long term.

“There are no government policies out there that encourage the small, family farm and I’m leery about whether or not that’s the way the public or the industry wants to see things heading. It’s a real drain on rural communities. With fewer farms, there’s a smaller tax base,



“The demand we’re getting is mostly on the grain end, for combines and big horsepower equipment,” says Garry Phenuff, sales manager of Finning Alberta’s agricultural division.

schools begin to close, hospitals have problems and the retail sector has problems,” says the Wild Rose Producers’ Scarlett.

Surprisingly, the drain on farm income has not hit the farm equipment dealers as would be expected. Dealers enjoyed increased sales in 2003 and the momentum appears to be continuing.

According to statistics from the Association of Equipment Manufacturers, combine sales jumped 25% and tractor sales rose 2%. Although there’s no data for the first quarter of 2004, sales have been holding strong.

“The demand we’re getting is mostly on the grain end, for combines and big horsepower equipment,” says Garry Phenuff, manager of Finning Alberta’s agricultural division.

“We’ve sold as many Challenger tractors this year as we did all of last year. I think part of the reason is that customers are starting to see our machinery as a very viable option. Because of the drought and BSE, customers might want to go to a dealer that’s a bit more diverse and isn’t quite as adversely affected as some of the smaller dealers.”

But seasoned equipment dealers like Phenuff know the bottom could fall out anytime. Farm machinery sales often follow the same boom and bust cycles that plague producers, although the impact can

be delayed for a year or more.

“That’s the nature of the industry. It always seems to go from situation to situation and it directly impacts our dealers. You have to position your business so you can manage the slower years and benefit from the better years,” says John Schmeiser, executive vice president of the Canada West Equipment Dealers Association.

That advice applies to producers as well, who must effectively manage wild price swings and production levels to survive. Circumstances such as BSE and avian influenza create undue hardship but these crises will eventually pass. Fraser Valley producers soon expect the go-ahead to begin re-populating poultry operations in certain areas of the region, beginning a recovery in that sector. On the cattle side, some industry leaders and government officials are cautiously optimistic that the United States will open its borders by the fall, spelling instant relief for the cattle industry in both Alberta and B.C., but there’s a growing realization that cattle producers must find new markets for products and reduce dependency on sales south of the border.

“We’re seeing a lot of talk right now about co-operative ventures and sales to other markets,” notes Scarlett. “We’ve relied on export marketing to one country – we’re now realizing that we can’t rely on only exports to the United States. ■

Agriculture by the Numbers

- net income for farmers across Canada fell 43.3% in 2003 to \$4.2 billion, the lowest level in 25 years. Net income for farmers in Alberta dropped 73% to \$575 million, while B.C. producers net income was nearly halved from \$118 million in 2002 to \$59.9 million in 2003.
- agricultural exports from Alberta dropped 19.5% in 2003 to \$4.2 billion, down from \$5.2 billion in 2002. Sales to the United States, which accounts for nearly half of Alberta’s export market, fell 33.1% in 2003 to \$2 billion.
- exports of live cattle from Alberta fell 69.1% in 2003 to \$196 million, down from \$634 million in 2002.
- cash receipts for Alberta crops dropped 13.1% in 2003 to \$1.9 billion.
- program payments to Alberta producers jumped to \$1.3 billion in 2003, up from \$1 billion in 2002 and \$800 million in 2001.
- cattle receipts to B.C. ranchers fell to \$200.7 million from \$318 million in 2002.
- program payments to B.C. farmers rose to \$53.7 million, a 73.6% increase from \$30.9 million in 2002.
- the B.C. cattle industry received \$20.5 million in 2003 through federal and provincial payments.

Central Alberta transplant thinks go big, or go home

BY JIM VEENBAAS



Ad Bertens Bertens Holstein Ltd.

Thinking Big



Although the last few years have been rough on farm incomes, forcing some to tighten their belts and cut costs, Ad Bertens has been busy expanding his dairy operation almost continually since he moved to the Olds area in central Alberta in the mid 1990s.

The native of Holland started with a quarter-section farm eight years ago and has expanded his spread to 1,500 acres, added a new barn and milking parlor that utilize some of the most advanced technology in the industry. “When we first bought over here, the farm was 160 acres and we thought it was the biggest farm ever. Now it’s almost 10 times as big. If you told me our farm would be this big when we first moved here, I would have laughed,” says Bertens.

Expansion has been anything but a laughing matter. Growth has been driven by economies of scale and the need to cut production costs for each litre of milk. “If you’re not growing, you’re actually going backwards. You have to keep up with the new technology and move forward,” says Bertens. “It’s essential that we keep costs down. To produce a litre of milk, you need to make it as cheap as possible and that starts with a good land base because it gives you the flexibility to grow your own feed.”

Bertens has good reason to marvel at the size of his dairy operation. He ran a successful dairy farm in Holland for 20 years, but it only totaled 35 acres and the land was scattered on several parcels around his hometown. Although the small farm met his needs, he only had capacity for 50 cows – there was no room for expansion.

“Everything about farming is different in Holland. The only thing that’s the same is the milk is white. Everything is so close together back home,” says Bertens,

who raised cows, did some silaging, grazing and even grew some corn on his Dutch farm.

With 17 million people squeezed into a chunk of property about the size of the Edmonton-Calgary corridor, farmland is obviously at a premium in Holland. “There used to be something like 40,000 dairy farms and even more pig farms back home. If you think about it, how is it even possible in an area so small?” says Bertens. “The regulations became tougher and tougher. The government decreased the allowance for the amount of manure allowed on the land and that suddenly created a big manure problem.”

Under those regulatory conditions, expansion was virtually out of the question in Holland. Bertens decided to make the move to Canada with his wife Anja and two young boys. Since then, the family has grown with the addition of a daughter and so has the farm. Now that he has 1,500 acres, Bertens has more than enough land to feed all his cattle and grow some cash crops as well.

“You need more land here. We grow all our own feed now. If we worked the land for a day in Holland, we could do 15 to 20 acres. Here, we work one day and we do 200 acres. Everything is different – everything is bigger and you think bigger too.”

And think big he has. Bertens’ farm has become one of the top milk producers in Alberta because of his willingness to invest in technology. The 250-head farm produces 2.2 million litres of milk a year. The internal rotary milking parlor was an expensive investment, but it’s helped boost production. He’s even embraced computers to help mix his feed.



“When we first started, we could milk eight cows at a time with old equipment. Now we can milk 26 cows at the same time. One person can milk way more cows with the new milking parlor. We can easily milk 100 cows in an hour and before we could only milk 40. It’s much more efficient.”

Efficiency is essential in the dairy business, which is driven by the clock. Unlike other farm operations, cows won’t wait to be milked. “The whole day is on the clock. We don’t even miss 15 minutes. With dairy, you also have to be there 365 days a year. You can have someone help you, but you can’t miss a day. For grain farmers, if the weather doesn’t work today, you can wait until tomorrow.”

But it’s not all about cows and land. Another part of Bertens’s success is his embrace of Caterpillar’s line of farm equipment to drive the bulk of his machinery expansion. He discovered the strength of Cat equipment when he bought his first IT18 wheel loader three years ago. Bertens was so impressed, he decided to stick with

“If you’re not growing, you’re actually going backwards. You have to keep up with the new technology and move forward,” says dairy farmer Ad Bertens.

the Cat product and now owns a new Challenger 755 tractor, a Challenger 45 tractor and a 262 skidsteer. “We have to keep costs low and we can do that only if we have good equipment, he notes. “You can have a tractor, but if it’s always giving you trouble, what’s the sense of having it?”

When Bertens bought his Challenger 45, he was one of the first farmers in his area to use a tractor with tracks, rather than tires. The improved traction has saved time and fuel while maximizing engine efficiency and drawbar load. “Everyone here drives with tires and I wanted to have something different. There’s no more flat tires, but what really impressed me was the smooth ride and the power. Since I bought my first tractor with tracks, two more have shown up in the area.”

Having someone like Bertens using Cat machinery has been a big boost for the Finning sales team in Red Deer, where Bertens purchased his equipment. As a well-respected dairy operator, his seal of approval carries weight with other producers. “It speaks volumes for us when someone of Ad’s stature chooses Finning equipment. He’s a smart man, a hard-working man, someone you want to be associated with,” says Finning sales rep Pat Wight. “People do a lot of homework when they’re buying equipment now and you really have to work with your people and figure out what their plans are and how they want to run their operation.”

There’s no question Bertens does his homework. Even before deciding to move to Alberta, he made seven trips to Canada in two years to scout out potential locations. His ultimate plan is to grow his herd to 500 cows and leave a lasting legacy for his three children. “The future is bigger farms that are more economical. You see that everywhere,” Bertens says. “If you have a system in place that allows you to get bigger, then you will be a survivor. Holland didn’t really offer us a lot of opportunities. We had no expansion possibilities.

“Now, we have a big farm, we have the land base. If we want to milk 500 cows, everything is here.” ■

▶ Yesterday/Today

A MAJOR ANTIQUE EQUIPMENT SHOW IS COMING TO ALBERTA IN SYNC WITH THE CENTENNIAL CELEBRATION. **KEITH HADDOCK** PROFILES THIS MUST SEE EVENT FOR EQUIPMENT ENTHUSIASTS

The Real Antique Roadshow

Next August, hundreds of antique construction machines will congregate in Wetaskiwin, Alberta to participate in the Historical Construction Equipment Association's (HCEA) Annual Convention. Held in a different location each year, the Convention will come to Canada in 2005 for the first time in the organization's 20-year history and is a major event coinciding with Alberta's centennial celebrations.

The central Alberta city's Reynolds Alberta Museum is the venue for hosting the convention which runs from August 5 to 7, 2005. The RAM is a world-class tourist attraction located about 45 kilometres south of Edmonton. It opened in 1992 to celebrate Alberta's heritage of machines in agriculture, industry and transportation. It is the permanent home to hundreds of antique cars, trucks, tractors, aircraft and surface mining equipment. Other organizations – The Alberta Roadbuilders and Heavy Construction Association, the Antique Caterpillar Machinery Owners Club and the Alberta Chapter of the American Truck Historical Society – are also participating in the HCEA event.

Based in Bowling Green, Ohio, HCEA is a registered non-profit organization dedicated to preserving the history of construction and surface mining equipment. With its slogan "To Educate and Preserve", the group has established the world's first public archive and museum dedicated exclusively to the history of construction equipment. The association is the only historical organization designated by the Construction Industry Manufacturers Association as an official archivist of the construction industry. The HCEA archive provides a service to

both the manufacturers of construction equipment and the general public by preserving, cataloging and making available for research, all the archival material in one location.

"The Wetaskiwin event will be the first-ever working vintage construction equipment show in Western Canada, and the antique equipment will be organized to construct several permanent facilities at the museum site during the event," says Bill Graham, president of Graham Brothers Construction Group of Edmonton, and the show chairman. Other attractions will include equipment demonstrations, horse-drawn equipment, static displays, books, scale models and equipment memorabilia, he adds.

Convention goers will be treated to a vast array of antique machines being put through their paces. As well, stationary displays will embellish the exposition. Demonstrations will include road construction as it was done in the 1920s – by horse-drawn graders and scrapers. Spectators will experience the unrivaled ground vibration of early diesel crawler tractors as they pull scrapers through the earth.

HCEA members come from all corners of the world and from all walks of life. Many enthusiasts are not even connected with the heavy equipment industry at all, while others are the contractors, miners, loggers, equipment dealers, equipment renters, machine operators that make up the backbone of the association. All share two common goals – to make sure the heritage of construction equipment is not forgotten by future generations, and to educate the public in the important role equipment has played in the development of the high standard of living we all enjoy today.

Attendance to HCEA's Annual Convention next year is a must for the enthusiast,

1 A Caterpillar No. 42 elevating grader pulled by a Caterpillar Diesel Thirty Five crawler tractor heaps a load on the wagon being hauled by a vintage Caterpillar D4 at an earlier HCEA Convention at Albany, Minnesota.

2 Crowds watch as a Caterpillar DW20 scraper receives a full load from a vintage Caterpillar D8 dozer at an HCEA Convention held at Bowling Green, Ohio.



and if you have an old Caterpillar machine lying around, bring it along for display at the show – or put it to work! You still have time now to do some necessary restoration work. These conventions are a wonderful experience for the whole family to experience how earthmoving and construction was done decades ago.

More information about HCEA can be found on their web page www.hcea.net and for information about the upcoming Alberta convention, contact Bill Graham, show chairman at 780-446-4151.

Cat Iron Makes the Grade

WRITTEN AND PHOTOGRAPHED BY BILL TICE





Ted Carlson

Ted Carlson doesn't work too many 40-hour weeks.

As a matter of fact he doesn't put in many 50-hour weeks either. For Carlson, who is the president of Mainland Sand and Gravel Ltd., 60 plus hours over the course of a week is the norm, not the exception. It's one of the ways he meets the challenge of running his family-owned business, which is a leading southwest British Columbia producer of sand and gravel products.

Another way he meets the challenge is by working closely with Finning (Canada) and his Port Kells based representative, Mark de Boer, when selecting, purchasing and maintaining heavy-duty equipment.

At the company's main quarry, which is located on Sumas Mountain, just north east of the Fraser Valley city of Abbotsford, Cat iron is abundant, and plays a vital role in virtually every aspect of the business, from opening up new excavation areas to loading trucks. Mainland's Caterpillar fleet includes a 992 front-end wheel loader, three 980G wheel loaders, three 972G wheel loaders, a 970F wheel loader, a D5M LGP dozer, two 775D rigid frame quarry trucks, two D400E articulating trucks, two 345B excavators, and a 330C excavator that is currently at Mainland on a rental contract from Finning.

"All of our equipment has to perform in very difficult and steep conditions," notes Carlson. "The excavators and the articulating trucks really have to do the dirty work, and like all of our Cat equipment, they come through for us."

Mainland Sand and Gravel was started in 1971 by Ted's father, Laurie, as a river sand supplier. From a waterfront location in Surrey, BC, Mainland specialized in dredging sand from the Fraser River and then selling it. In 1985, the Carlsons expanded the business to Sumas Mountain and started up a crushed stone quarry, where they still are today.

Laurie is very active in the business and takes on an ownership role, which he now shares with Ted and Ted's brother Brent, who is Mainland's vice president. The company's main quarry produces 1.5 million tonnes of crushed rock products per year.

Mainland's sand products are used primarily for pre-load, bulk fill, and golf course applications, while the crushed rock products are used for road building, railway ballast, rip rap (for storm protection along dykes, etc.), and in the production of asphalt.

► EQUIPMENT PROFILE





B.C. builder takes an unconventional approach to the construction of a multi-million dollar community

Mountain Building

BY ROBIN BRUNET

The road leading to Falconridge, which is one of Abbotsford's most keenly-anticipated residential developments, is narrow and bumpy. The north side of the road rises sharply to the tree-lined crest of Sumas Mountain; immediately south are drop-offs and thick brush that is being meticulously scaled back by Caterpillar machines and work crews. Farther south, as far as the eye can see, is the magnificent panorama of the Fraser Valley: a pastel checkerboard of fields and pastures and distant mountain ranges glowing a soft purple.

A million-dollar view is what Falconridge developer Steve Dunton intends for every resident when Phase One of his three-phase, 300-home project is completed in the spring of next year. Dunton, who along with his brother Herb, is co-principal of Columbia National Investments Ltd. He is not inclined to brag about past achievements or his company's numerous endeavors, but clearly the multi-million dollar Falconridge development is special on various levels. Most notable, perhaps, was Dunton's iconoclastic approach to developing the 114-acre chunk of

Sumas Mountain; instead of relying on an army of contractors to get the job done, he kick-started the project by purchasing his own Caterpillar fleet and employing the best available operators. "Four years ago when I told someone I wanted to buy my own equipment, he fell off his chair laughing," says Dunton. "You see, this wasn't standard operating procedure, and many critics assumed it wasn't feasible. And when people realized I was serious about acquiring my own fleet, they then took the tack that I'd never be able to find decent operators." Falconridge is proving his detractors to be spectacularly wrong.

Ed Lingel, sales rep. for Finning's Surrey headquarters, describes Dunton as the kind of client every Finning representative dreams about. "He came to us late last year having done extensive research about heavy equipment manufacturers," he recalls. "He had talked to people who have been in the business forever, plus he had lots of experience observing field work and he knew all about the reliability of our machines and our rental, parts and service departments. We



Although bureaucracy has been a challenge – “A nightmare, in fact,” states the matter-of-fact Dunton – on-site work was proceeding full-tilt by spring of 2004.

were extremely happy he chose us to do business with.”

The first purchase occurred in February of this year with a Cat 330 excavator, followed by a 320. “Then in short order came another 330, a used D250E rock truck, a compactor, another used D250 and two rental 740 rock trucks,” says Lingel, who was introduced to the Dunton brothers via a mutual association with Abbotsford-based Norex Contracting (B.C.) Ltd., which is performing all the underground servicing for Falconridge. “Norex has about four pieces of equipment on Sumas Mountain, and I also sold them a 330 Cat in April,” Lingel says. “I would in no way assume that this is the end of Mr. Dunton’s purchases,” he adds.

Dunton, who is lean, bespectacled, takes genuine pleasure interacting with his crew but simultaneously exudes a no-nonsense air. He is pragmatic about his association with Finning. “Columbia National has been involved in all sorts of projects in B.C., Alberta and Washington State over the past 21 years, and when you’re on a

job site you learn pretty quickly who arrives first and who keeps things running. Finning has never failed to come through on both scores.” This was particularly evident to Dunton last summer when clearing for Falconridge got underway.

Abbotsford is a double-edged sword: on one hand, areas of stunning physical beauty like Sumas Mountain beg to be developed; on the other, civic bureaucracy is structured in such a way that getting the green light for any kind of residential construction is daunting, to say the least. The story goes that it’s not uncommon for developers to have their working drawings handed back to them up to a dozen times for revision.

Columbia National’s acumen is such that it purchased 114 acres on the southern slopes of Sumas Mountain despite the potential bureaucratic pitfalls and committed 34 acres to be set aside as green space to carry through on the company’s philosophy that residential developments should be communities that exist in harmony with nature. Although bureaucracy has been a challenge – “A nightmare, in fact,”

states the matter-of-fact Dunton – on-site work was proceeding full-tilt this spring. Major activity in June when *Tracks and Treads* visited Sumas Mountain consisted of the D250Es moving dirt from the upper levels of the Phase One property to the lower levels. Despite tortuous turns and the main access road cluttered with bush-clearing machinery, the trucks moved from one destination to another with amazing speed and efficiency – a testament to Dunton’s hand-selected operators as well as the organizational skills of site supervisor Dean Tolley. Although only a dozen people were present, crews are expected to expand with the advent of pipe-laying the following week and will ultimately rise to about 25 men and women.

Despite Dunton’s affability, one gets the distinct impression he is being pulled in many directions at once, which begs the question why he chose to purchase his own equipment and tackle the physical and bureaucratic logistics of Falconridge (essentially) by himself. “Because,” he explains during a break in a site trailer, “in a hot market – which is currently the case in B.C. – you’re faced with the possibility of contractors overpricing you. For example, out of eight people I solicited to get quotes on dirt servicing for Falconridge, only two responded, each with a price exceeding \$3-million. But by my own calculations, the job could be done for half a-million dollars.”

The Dunton brothers weathered the skepticism of the construction community by eschewing contractors (save for Norex), contacted Finning, and now expect to reap the rewards of their independence and risk-taking. Without the benefit of any advertising, the 90-lot Phase One of the Falconridge development was sold out by early June. “Why give someone else money for so-called ‘risk

Columbia National’s Steve Dunton kick-started the development of his three-phase, 300-home project by purchasing his own Caterpillar fleet and employing the best available operators.

factors?’” asks Dunton rhetorically. “This is Columbia National’s project, therefore it’s really my risk. Generally speaking, bankers need to understand that it’s twice as much risk to hire contractors instead of letting guys like me get the job done.” To that end, he gives full credit to his financial partner, HSBC, for allowing him to set his own rules.

To date, the Cats have uniformly performed to Columbia’s high standards, and only a single breakdown (one of the 330s) has occurred. Dunton is unfazed. “Repair crews arrived within an hour with a low-bed and hauled the machine away. That’s one advantage of dealing with an organization as large as Finning. Their repair and maintenance crews are all over the place and you don’t need to worry about downtime.”

Next up for Columbia are other projects in Abbotsford, including high-rise residential units and commercial development. And in the near future, Dunton would like nothing better than to see land freed up in the Squamish/Whistler/Pemberton area. “My approach is not to wring every last buck profit-wise out of a project. Instead, I want to keep markets alive by creating quality, affordable community living from the land we acquire,” he explains.

No sooner has he uttered this than he spies Ed Lingel outside the trailer. “Ed,” he shouts. “We need to talk about backhoes. I want one. What do you have for me?” ■



**YES. WE RENT MORE
THAN CAT MACHINES.
CALL TOLL-FREE 1-866-285-5550**

RIGHT TOOLS. RIGHT PLACE. RIGHT NOW.

▶ Business 101

A SOLID MARKETING PLAN IS ONE OF THE KEYS TO SUCCESS.

GORD COPE EXPLAINS HOW ASKING YOURSELF THE RIGHT QUESTIONS CAN SIMPLIFY YOUR MARKETING ANGUISH

The Sell Game

You've made the decision to start your own business. You have experience, operating machinery and sufficient capital to purchase equipment. What else do you need?

According to the experts, you need a marketing plan. "The purpose of the marketing plan is to build revenue, but also to build the type of revenue you want," says Jacqueline Drew, president of Start Marketing Inc., a Calgary-based consultancy that has helped over 150 small businesses get on their feet. According to Drew, a well designed marketing plan tells you not only who you are going to sell your services to, but how you are going to land them as clients and how much you are going to charge them. "It achieves what you want your business to be when it grows up." Professional consultants can set up a concisely-tailored plan for approximately \$5,000, but creating a marketing plan for a small business doesn't have to be complicated or expensive. Before you begin, however, certain basic questions regarding your business have to be answered.

First, it's important to develop a general vision. "Will you be working large projects for an engineering firm, or will you be out on your own serving consumer needs?" asks Drew. "Maybe you don't want to build a company that's too big – perhaps you have a vision of employing half a dozen equipment operators."

Next, think about what level of service you want to provide. "Maybe you want to offer quality, and will hang your hat on perfection," says Drew. "Or, perhaps it's value for money, so you'll focus on keeping costs down."

Once you've answered some of those general questions, it's time to begin building the marketing plan with some initial research.

The first step is to look at target markets. "There's government work and private

contracting. Who would care most for my services?"

The next move is to look at the competition. "Make a list and analyze it," suggests Drew. "Can I surpass them with what I want to do? Is there something that nobody else is doing?"

Finally, figure out what the competition is charging, then set your price against theirs, based on the decision to offer quality or value. "If I'm better, my price should be higher. If I'm keying on costs, of course price should be lower."



With the initial research done, it's time to decide how you are going to get news of your services to the target market.

How you promote yourself depends on whether you want to pursue the business-to-business or consumer markets. Let's say you're going after the consumer market, offering a service grading driveways. Under such circumstances, advertising works well. "Your best value is to place a really good ad in the Yellow Pages," says Drew. "Community newsletters are also cost effective." A well-designed ad may cost \$300 and generate three leads a month, one of

which turns into a client.

With the business-to-business market, however, ads aren't nearly as effective as personal contact, or direct marketing. "Clients need to establish a relationship, so you need to sell directly to them face to face," says Drew. The best way to start this is through unsolicited contact, or cold-calling. A well-prepared salesman can turn one in 25 cold calls into a valuable client. (Costs for your marketing activities, including ads, brochures, sales staff and bonuses, normally account for no more than 15% of your expected annual revenues).

Your marketing plan is now sufficiently complete to set objectives and forecast revenues. Say, for instance, you have made the decision to target a business-to-business

market that offers a contract of \$2,000 per client. If you intend to do 25 well-researched cold calls per week, you may end up with four clients per month, for a monthly income of \$8,000. All the pieces are now in place to complete your financial plan and launch your business.

How long will it take for your marketing plan to mature? It depends on which route you take. "Direct marketing is like a hundred yard sprint," says Drew. "You will know if people are responding in the first few weeks. On the other hand, I've heard it said that media advertising is like long distance running; it may take a year before you see results."

How does TV and radio advertising fit into the marketing equation? Large scale media campaigns, also known as branding, are designed to create widespread recognition of your logo. "There's no point doing it unless you can do it on a steady basis," cautions Drew. "People need repetition, so you should expect to put \$100,000 into real media advertising every year."

Regardless of whether your company becomes a household name or remains a family run operation, it all begins by laying a good, solid financial foundation. "You need a marketing plan to do a revenue forecast," says Drew. "Without a revenue forecast, you can't make the other numbers work."

FEATURE MACHINES



PARTSTORE

MERCHANDISE



S-O-S ONLINE

Leader of the Pack

BY TONY KRYZANOWSKI

Over the past five years, Finning (Canada) has been a leading developer of online services in the heavy equipment sales and service sector and to its credit, many other Caterpillar dealerships have designed their own online services based on Finning's model.

Technology products marketing manager Lyle Makus says with Internet use growing exponentially throughout the world, Finning showed a lot of foresight when it began developing its online services, to the point where it now has a substantial lead over its competitors.

"We've streamlined a lot of the ways that we now handle paper," says Makus, "And obviously, online services have a lot of advantages in the timeliness of delivering data to a customer."

Finning has invested heavily in Online Services to give its customers the benefit of instant access to a wide range of services

Online Services are popular and growing with customer needs

that lend themselves to this environment, whether it's ordering parts, checking oil samples, reviewing account balances, looking for new or used equipment deals, or researching service procedures for Caterpillar equipment.

The company is also using recent advances in communication technology to offer new online support services to its customers. For example, the Global Maintenance System online service is using satellite technology and the Internet to help Finning customers who operate equipment in remote locations. It allows them to develop and maintain a timely preventive maintenance program, monitor equipment and operator performance, and verify a unit's location when a service technician needs to visit the site.

Use of Finning's Online Services has been climbing steadily each month. This upward trend was expected, given the growing popularity of Internet use.

“One of our strategies when we began developing our Online Services was not to assume we knew what our customers wanted,” says Finning’s Lyle Makus.

However, Makus emphasizes that Finning’s Online Services will never totally replace human contact. “Finning management has been adamant that we make sure that we always give our customers an outlet for human contact,” says Makus, recognizing that customers may have questions as a result of using Online Services that they would prefer discussing with a real person.

That contact can occur either in person, over the telephone or by using the ‘Live Help’ feature at the bottom of the Online Services page at www.finning.ca. By using this feature, customers can communicate with a contact person at Finning through real-time text dialogue. In other words, there’s no waiting. Customers receive a response just about as fast as they can type a message.

It’s very likely that customers checking out Finning’s Online Services for the first time will find something of interest right away because of how the services were designed in the first place.

“One of our strategies when we began developing our online services was not to assume we knew what our customers wanted,” says Makus. “We conducted a number of focus groups which included customers and branch personnel, consisting of people who have been in the industry for a long time, and who really understand the needs of people like maintenance managers. We asked them what they were looking for and what we could do to help them do their job better and faster.”

Since then, Finning’s Online Services have continually improved, largely due to customer feedback.

“We’re very pleased with the amount of good feedback we are getting from our customers,” says Makus. “I think a lot of customers feel ownership in the way we manage our Online Services because we’re taking their information back and tweaking the website to address their needs.”

In future, Finning customers will be able to build their own electronic portal to Online Services for even faster access to critical information. Makus says a project called ‘My Finning’ will allow customers to combine data from different sources into one view. For example, if a customer is a frequent user of Part-Store, S-O-S and Service Information System, they will be able to customize their own ‘My Finning’ page for quick and easy access to these specific sites. ■

Online Services at www.finning.ca:

- **S-O-S Online:** Provides accurate information tracking of component wear – for one piece of equipment or an entire fleet. The ‘My S-O-S Online’ feature helps individual customers manage preventive maintenance with precision by giving them immediate access to fluid test results and trend analysis, along with comprehensive analysis tips and information. The ‘Ask the Expert’ feature speeds an analysis question directly to Finning’s lab, with same day response. Customers can also order S-O-S test kits online.
- **PartStore:** Allows customers to order parts from the comfort of their own home or office at any time of day or night. A complete online catalogue, powered by Caterpillar’s Service Information System (SIS) parts book, makes it easy to find parts. Customers can also check real-time parts availability.
- **Used Equipment:** Finning’s complete catalogue of used equipment is updated daily and is searchable by product type, make, model, year, price-range, location, serial number or manufacturer.
- **Invoice Viewing:** Customers can track expenditures so they can better manage their equipment and maintenance budget. A 12-month archive of statements and invoices is available from one or several Finning accounts.
- **Global Maintenance System:** GMS offers customers the ultimate preventive maintenance scheduling and equipment tracking system, combining satellite, Internet technology, and Finning’s track record with heavy equipment maintenance.
- **Used Parts & Attachments:** Finning Used Machinery Parts lets customers to locate and order used parts or attachments.
- **Heavy Duty Gear:** View and purchase from a large selection of Authentic Cat merchandise, such as hats, diecast models, shirts, mugs, backpacks, watches and more.
- **Service Information System:** SIS Web is Caterpillar’s primary tool for delivering parts and service information to customers. Using a standard web browser, SIS Web provides access to more than 17,000 publications on all Caterpillar machine and engine product lines. Customers can improve their operating efficiency with easy access to: breakdown and parts identification, operation and maintenance instructions, disassembly and assembly instructions, special instructions, parts graphics, engine news, tool guides and service manuals.
- **CatMiner:** CatMiner.com delivers news about the mining industry, Finning’s products and services, and resources for use by customers in their daily work.
- **Equipment, Parts and Service Specials:** An opportunity to read about the latest promotions and potentially save money.



Shane Ashmore *D.Ash Grading*

PHOTOGRAPHY BY DUSTIN DELFS

Whitecourt contractor builds a better company with Finning



Open to Change

BY JIM STIRLING

Shane Ashmore is one of those open-minded people who's willing to do things differently. He believes that being unafraid of the unconventional comes with the territory when the objective is to put the best possible product on the table.

A partnership with Finning serves as a recent example of problem solving – Ashmore style. It's resulted in the Whitecourt, Alberta-based road builder and logging contractor running a newer, leaner equipment fleet. And it doesn't hurt one little bit that the deal shifts maintenance responsibilities to Finning, freeing Ashmore to fine tune his company's operational and productivity efficiencies.

Ashmore and partner Mike Nelson run D.Ash Grading Ltd. The 'D' stands for Dave – as in Dave Ashmore, Shane's dad. But it was Dave's dad, Ron, who started the company. Now the company is into its third generation of building on the strengths of the past to create confidence in the future. "Dad built the business around his ability to deliver a top quality product in road building and maintenance and he became well respected for it," says Ashmore. "I'm trying to fill some pretty big shoes."

Dave Ashmore remains active in the road building side of the company, which is considerable, upwards of 30 kilometres a year.

And father and son collaborate in other ways like walking future cut blocks to determine the best layout strategies.

It's only in the last four years or so that Ashmore has expanded the family business into contract logging. That came about because Blue Ridge Lumber in Whitecourt wanted to try cut-to-length logging using a harvester/forwarder combination. "We tried to solve some of their problems," says Ashmore.

The company has now evolved into a full stump-to-dump contractor. Along the way, it's pioneered the use of Super Bs in that part of Alberta to haul wood via the highway to the mill. The company operates four of the Super Bs and sub-contracts another three. Also, D.Ash Grading was one of the first in the region to take advantage of the versatility of dangler style processing heads. "We try to be very proactive in our way of doing things," explains Ashmore.

They know all about that at Blue Ridge Lumber (1981) Ltd., a division of West Fraser Mills Co. Ltd. A strong working relationship has been established and, in typical Ashmore family tradition, the roots reach back three generations. "We actually helped build the plant and have worked for the same sawmill for 30 years," says Ashmore.

Now D.Ash harvests around 150,000 tonnes of fibre for Blue Ridge through a 10-month working year. The predominantly pine and spruce is delivered in whatever form Blue Ridge needs to man-



ufacture the products its customers require, from processed 10-foot-cut to length bolts to tree length.

The deal with Finning is also something new for forestry in Alberta. Ashmore's equipment fleet wasn't getting any younger but the main motivation for the investment was to get a better handle on costs. "I wanted to take away the hidden costs. We were spending a ton of money on soft costs." An example was keeping spare machines available for back-up if a main production machine went down.

"No logger wants to admit the costs of downtime. It includes less obvious things like insurance, low bedding and operator costs. We had to get really honest with our costs. We were going down a road we couldn't afford to keep going down," says Ashmore.

Enter Joe Sioga, a Finning sales representative based in Edmonton. "What I said to Shane was 'What's it costing you to own and operate your equipment fleet right now?'" Ashmore provided the figures and Sioga began crunching them. Sioga's final numbers demonstrated what it would cost for maintenance on existing equipment compared to maintenance for fewer but more productive machines. The bottom-line – considerable monthly savings if D.Ash upgraded but downsized its fleet.

The D.Ash team made the decision to trim their 13 machines from various manufacturers to nine new Cat machines. Instead of maintaining two bunchers, two skidders and four processors, the fleet was reduced to a single buncher, one skidder and two processors capable of producing the same volume. Add in a guaranteed servicing contract every 5,000 hours and a

"We went to Finning because it's known for its outstanding service. There was no need to reinvent the wheel," says Shane Ashmore of D.Ash Grading.



two-year renewal plan for the main production machines and D.Ash's costs became more predictable, and with that came a better grasp on profitability.

The new machines supplied by Finning were: a TK1051 feller buncher; two 320C processors with Waratah 622 heads; a Cat 535B skidder; a 322C log loader; three Cat 140H graders; and a D6R bulldozer. New machines also mean safer machines; an unexpected benefit of the investment was reduced costs to comply with occupational health and safety regulations.

"We went to Finning because it's known for its outstanding service. There was no need to reinvent the wheel," says Ashmore.

He has not been disappointed. "Joe (Sioga) has gone above and beyond the call of duty on this deal and Neil Boulbria, our service technician in Whitecourt, knows our machines inside out and backwards," Ashmore adds. "They're the two driving forces in doing what we're doing.

And I really mean that."

Another convenience and value-added service for D.Ash is the Shell Canada-Finling arrangement in Whitecourt. Here, Finning maintains an inventory of filters, lubricants and other frequently used small consumables for Caterpillar equipment, reducing D.Ash's downtime for small repairs.

It also helps when both parties go into a deal with a we-can-do-it attitude. D.Ash concentrates on log harvesting; Finning ensures the machines to do it are available in tip top shape. "I'm a logger, we're here to work, not fix things," Ashmore declares. "This deal keeps my guys working longer and making a better dollar." While the investment was significant and there were some trials and tribulations along the way, Ashmore feels the cost controls he now has in hand are more than adequate compensation. "This kind of deal will become a trend. More people will do it to stay competitive," he concludes. ■



Whitecourt a Good Fit

The Whitecourt area of central Alberta is the right location for D.Ash Grading. "There's considerable stability in the region's forest industry," confirms Shane Ashmore, principal in the road building and logging contracting company.

Part of that comes from the large, well run and established licenees in the region including the Alberta Newsprint Company, Millar Western Pulp and West Fraser Mills Co. Ltd. D.Ash provides services for West Fraser's Blue Ridge Lumber (1981) Ltd.

The protracted softwood lumber dispute with the U.S. is an unwanted complication for all Canadian forest companies. "But our day-to-day operations have not changed too much ... except for a two week mill shutdown," says Ashmore. During that time, his crews were reassigned to harvest aspen.

The out-of-control mountain pine beetle epidemic in British Columbia means forest companies and loggers there have abandoned their long-term development plans to concentrate on trying to contain the beetle's spread and salvage stricken timber. Now the beetles are infesting pine in Banff National Park. The province is working with the federal government to hopefully stop the beetle in its tracks, says Ashmore.

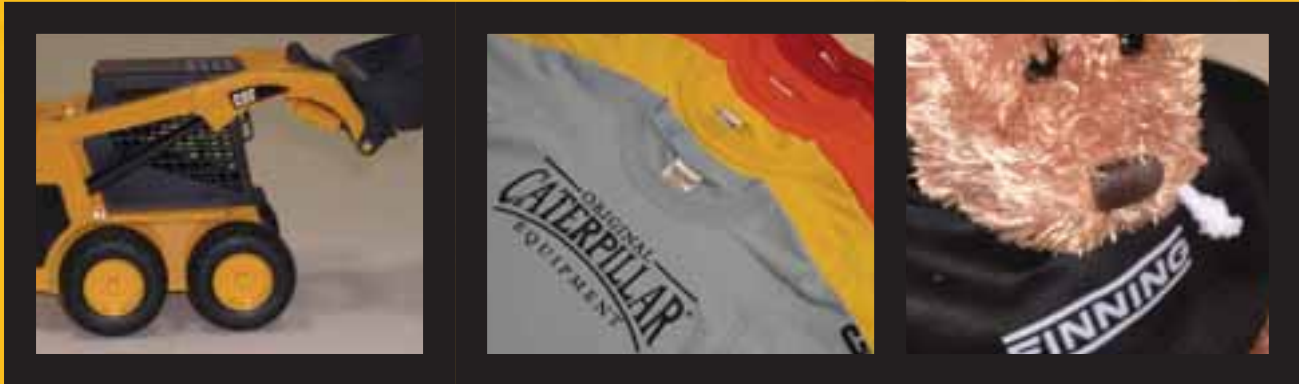
Wildfires are another forest health issue with economic impacts. D.Ash was harvesting fire salvage wood near Swan Hills this spring where the bush remains tinder dry.

Count On Us



Heavy duty service – a Finning tradition

Since its inception in 1933, Finning's field service support crew has helped keep you going at anytime, anywhere. The tradition continues. Today our heavy duty technicians armed with the latest diagnostic tools, deliver service aboard a fleet of more than 400 fully-equipped field service trucks. Now for a skill-testing question. Can you help us out with more information on the machine featured here? If you get the answer right, we'll send the first 10 entrants their own 8" x 10" glossy of this photo. Send your answers to jhoward@finning.ca. Make sure you provide your address so we can send you your photo.



Get your Gear for the holidays.

Heavy Duty Gear has something for everyone. Visit your nearest branch or logon to www.heavydutygear.ca for great savings. With every online order, you will receive a free Christmas ornament.*



www.heavydutygear.ca
1-888-FINNING

* While quantities last.

Introducing Cat® Classic Parts



New



Reman/Exchange



Classic Parts



Quality Used

NOW THERE'S A CAT PART FOR EVERY NEED.

Your older Cat® machines have served you well over the years. Treat them right, with Cat Classic Parts.

Classic Parts provide a new option for repairs to older machines — a reduced-cost line of parts covering the key components that make up the majority of your repair costs.

Stop in or call us for more information.



1-888-FINNING

www.finning.ca