



# NAEDA Update

NORTH AMERICAN EQUIPMENT DEALERS ASSOCIATION e-newsletter

Thursday, July 14, 2011

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## CEO Blog

### Wanted: New ideas

I sense that most reasonable people would agree that government has a role to play in our society. Exactly what that role should be, and how we should pay for it, is often where disagreements begin.

Today there is enormous pressure to clearly determine answers to these questions. That pressure is coming from an ever-increasing overspending and debt problem, not only in the U.S. and Canada, but across the globe. What exactly should government do and how will we pay for it are questions that must be answered.

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

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

What can we do? Here are ideas:

1. Reinvigorate an entrepreneurial spirit.  
The entrepreneurial spirit is sorely needed. Government should inspire people to dream big. It should create an environment where people feel free to pursue their ideas, take risks and reap the commensurate rewards ... instead of an environment where people and businesses are taxed and regulated to the point where they give up. Jobs will be created when entrepreneurs and businesses are encouraged to reach higher.
2. Act as a support mechanism.  
A government that will act as a catalyst for ideas and the infrastructure required to implement them will be a step on the road to recovery. Governments are already spending billions on R&D, so let's use some

## Legislative & Regulatory News

UEP and HSUS to jointly seek federal legislation to transition industry  
In a surprising turn of events, the United Egg Producers (UEP) board and the Humane Society of the United States (HSUS) have reached an agreement to jointly petition the federal government for federal legislation for the purpose of transitioning the industry from primarily a conventional cage egg production business to enriched colony cage housing.

UEP and HSUS will work with the Congress with the goal of having the law in place by June 30, 2012, and the transition being fully implemented by Dec. 31, 2029.

Why would UEP reach such an agreement? UEP believes such legislation is necessary to protect its customers and the marketplace from any disruption that could occur if a patchwork series of state laws and regulations regarding hen housing were implemented, as evidenced already in California, Michigan and Ohio, and potential ballot initiatives already in the works in Oregon and Washington. With 24 states having the ballot initiative process egg producers could continue to see numerous efforts by HSUS to use voter referendums to legislate a transition to cage-free production, which UEP believes would not be a sustainable egg industry. A few months ago UEP became aware that HSUS was recognizing the benefits of the enriched colony cage housing systems and would be receptive to discussions about national legislation.

UEP believes it is far better to have one single, national standard in federal legislation for the production of shell egg and egg product markets without state trade barriers for customers and one that is phased in over several years to minimize any marketplace disruption. This is especially important for retail customers who have stores in multiple states.

The proposed legislation would address California's Prop 2's vague language that has left the state's egg farmers with an uncertainty of what housing would be acceptable. Likewise, it would preempt the Michigan law and any other state or local laws mandating different space requirements for the housing of laying hens. HSUS has agreed to not file the signatures for qualification for Washington's ballot initiative in 2011 and to not further pursue ballot legislation in Oregon in 2012.

UEP and HSUS have agreed not to initiate, fund or support any state legislation or ballot initiative measures concerning space requirements for housing of laying hens. HSUS and UEP have also agreed that they will not initiate, fund or support litigation against, or investigation of, either party, or UEP members while this agreement is in force. Neither HSUS nor UEP will fund or support any other organization for the specific purpose of achieving a result contrary to the provisions of this agreement.

For newly built or remodeled housing, a transition schedule has been agreed upon for inclusion in proposed legislation whereby all new cages would be enrichable colony and ultimately fully enriched with nest, perches and scratch area and providing a space of 124 square inches per hen. The transition will begin with all producers with more than 3,000 hens in conventional cages meeting 67 square inches per hen and moving to 78 - 90 - 101 - 113 - 124 square inches for white hens and 76 - 90 - 102 - 116- 130 - 144 for brown hens in enriched colony houses. The transition will begin three years from the date of enactment of the act and be fully completed by Dec. 31, 2029.

Existing cages will have until Dec. 31, 2029 to be taken out of service or enriched at 124 square inches per hen for white birds and 144 inches for brown birds. Percentage targets have been proposed by which USDA will survey the industry on or before Dec. 31, 2018 to determine whether the industry is making progress in converting their oldest housing.

The proposed legislation agreed upon by the two parties will create a nationwide ban on the construction or placing into operation any new unenrichable cages for the housing of laying hens and be effective Dec. 31, 2011.

Much of the scientific community, including members of UEP's Scientific Advisory Committee and the American Veterinary Medical Association, have acknowledged for several years that the enriched colony housing systems improve upon some aspects of modern conventional cage systems as well as aspects of non-cage housing. They have recognized that the enriched colony housing goes a long way toward combining the advantages of both the conventional cage and cage-free housing.

How can we be sure that other animal species won't be added to this legislation? UEP's discussions with HSUS, as well as the formal agreement the two parties have reached, have not and will not include any other species. Anything that would change the content of that aspect of this agreement would be opposed by both organizations.

After UEP has spent more than a decade defending the scientific advantages of cages, how can UEP now abandon them? The egg industry and UEP have always been proud of their progressive and forward-thinking heritage, such as the development of one of the first industry-wide, science-based set of standards for the welfare of hens 12 years ago. UEP has been studying the enriched colony housing for several years, including farm visits in Europe. So UEP sees the movement towards enriched colony housing as evolutionary as both the research and science has progressed, as well as issues of sustainability and marketplace demands.

If this is the "right thing to do" why is it necessary to phase this in over a period of years? Egg farms are not built, or even re-built, overnight. There are issues such as financing and zoning, equipment manufacturing and crews needed to design and construct facilities; and many existing farms have relatively new cage facilities that should and could operate efficiently and properly for many years. In addition, UEP doesn't want to cause a chaotic interruption in the marketplace in terms of farmers delivering eggs to all their customers every day, which is why a gradual transition over several years makes sense. This also will allow for more research studies to be completed in the U.S. so that all parties are confident on the best enriched colony designs as well as management practices that will provide optimum hen welfare, food safety and production.

UEP and HSUS have also agreed upon science-based standards for humane euthanasia, non-feed withdrawal molting, air quality and ammonia levels. The two parties have also agreed upon labeling of eggs and egg products to identify the housing systems by which eggs are produced. The labels will identify: Eggs from caged hens, eggs from hens in enriched cages, eggs from cage-free hens and eggs from free-range hens.

Complete details of the agreement to transition to enriched colony cages will be provided at each of UEP's informational meetings being conducted in six locations across the country in August.

Source: UEP's United Voices newsletter

### Deal struck on proposal to modify, extend ethanol incentives

A deal has been reached by Sens. Dianne Feinstein (D-CA), John Thune (R-SD) and Amy Klobuchar (D-MN) on a proposal that would end the 45-cents-per-gallon Volumetric Ethanol Excise Tax Credit (VEETC), or blenders' tax credit, and a 54-cents-per-gallon ethanol import tariff.

The proposal released by the three lawmakers would move to deficit reduction some \$1.3 billion of the \$2 billion in expected savings that would come by ending the credit July 31 instead of a scheduled expiration date of Dec. 31. The remainder, an estimated \$670 million, would pay for an extension through 2014 of an existing alternative fuel station tax credit to include blender pumps. (The proposal would also modify the tax credit to allow for ethanol blends between E15 and E85, and clarify that the entire cost of dual-use blender pumps, rather than just the incremental cost, would qualify for the credit.) The measure would also extend for another year, through 2012, a 10-cent-per-gallon tax credit for qualified small ethanol producers. In addition, the agreement would modify and extend through 2015 a tax benefit set to expire at the end of 2012 providing a \$1.01-per-gallon credit for cellulosic biofuels.

In a letter sent to Senate Majority Leader Harry Reid (D-NV) and Minority Leader Mitch McConnell (R-KY), Feinstein, Thune and Klobuchar called for action on their plan this month, before Congress leaves for its month-long August recess, to guarantee "the substantial levels of deficit reduction and investment achieved by this compromise." There are no guarantees the compromise will become law. Constitutionally, tax legislation must originate in the House. While GOP majority leaders there have indicated a willingness to look at ending tax subsidies like the ethanol incentive to meet deficit reduction, the VEETC compromise remains a hard sell.

Ardent ethanol supporter, Sen. Chuck Grassley (R-IA), who sought a five year phase-out of the blenders' credit, was disappointed with the compromise. "Overall, the fact that this happened in a vacuum, rather than in an even-handed debate over all energy tax incentives, will always be a raw deal, especially for taxpayers and renewable fuel producers," he said. However, Grassley did not say he would oppose the measure.

Growth Energy CEO Tom Buis said the proposal "will benefit consumers at the pump, reduce our dependence on foreign oil by investing in next-generation biofuels, and make a significant contribution to reducing our nation's budget deficit." Elsewhere, National Corn Growers Association President Bart Schott said the deal "reflects both the importance of the ethanol industry to achieve energy independence and the need for fiscal responsibility."

But Renewable Fuels Association President Bob Dinneen said the Thune-Klobuchar-Feinstein agreement was "not the perfect compromise." Still, he said, "it does demonstrate the willingness of American ethanol producers and advocates to do their part to address budget concerns while not sacrificing the progress and evolution of the industry." Dinneen took a veiled shot at the heavily subsidized oil industry, challenging "other industries to step up to the plate in the same manner. The status quo of American energy and tax policy simply won't work."

Source: [25 x '25](#) Weekly Resource

NAEDA signs on to support Clean Water bill to address EPA overreach  
NAEDA has joined 120 state and national organizations in signing a coalition letter to the U.S. House of Representatives in support of the Clean Water Cooperative Federalism Act (H.R. 2018).

The bill would reaffirm the decades-old state-federal relationship set out in the Clean Water Act (CWA) by addressing the EPA's ongoing regulatory overreach. In the letter the undersigned urged all House members to vote for passage of the legislation when it is considered on the house floor later this week.

H.R. 2018 has important job creation, economic security and federalism implications.

The letter can be found at <http://www.aednet.org/government/pdf-2011/IndustryLetteronHR2018-20110711.pdf>.

### New York Times presents balanced story regarding LIFO

One of the biggest revenue-raisers proposed by President Obama in negotiations with Congress is abolishing the LIFO accounting practice.

But the effect of the change would be substantial, and in pushing for it Mr. Obama has kicked a hornet's nest. Lobbyists from companies of all sizes are swarming around Congress to kill the proposal, which would prohibit the use of an accounting technique known as last in, first out, or LIFO. The technique is used to determine the cost of goods sold, and therefore the income earned, by a company.

Mr. Obama's proposal, projected to raise \$65 billion to \$95 billion over 10 years, would increase the taxable income and tax liability of companies that have been using this method of accounting for decades. Small businesses, manufacturers, wholesalers, retailers, and oil companies would be especially hard hit.

At a meeting late last week two dozen business lobbyists, working together as the LIFO Coalition, decided

of these funds in a more collaborative manner with the private sector. Congress should also weigh whether regulations are helping or hurting the economy and then legislate appropriately.

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

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

4. Create new sources to finance innovation.

Perhaps we need a funding institution that can access capital more quickly and inexpensively. It should absorb a little more risk than traditional mechanisms alone. Venture capitalists are a good source, but their involvement is not enough to meet the total demand. Besides, they frequently demand a high premium for their investment.

5. Provide exceptional, positive leadership.

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

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

PAUL KINDINGER is president/CEO of the North American Equipment Dealers Association. The association provides educational, legal, legislative, and financial services to approximately 5,500 retail agricultural, construction, large property/rural lifestyle, and outdoor power equipment dealers in the United States and Canada.



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to redouble their efforts against the proposal by making urgent appeals to debt negotiators and lawmakers from both parties and both chambers.

The money at stake far exceeds the amounts that Democrats want to raise by curbing tax breaks for owners of corporate jets, yachts and racehorses — the populist proposals frequently invoked by Mr. Obama to make the case that he is not seeking tax increases on the middle class.

Jay Carney, the White House press secretary, said the LIFO proposal — supported by the president's deficit-reduction commission — would simplify the tax code and establish a standard method of calculating the cost of items that a company sells. Those costs are typically subtracted from the proceeds of a sale to determine the company's taxable income.

Senator Jon Kyl (R-AZ), said that in budget negotiations the White House had pushed harder for "repeal of LIFO" than for any other tax proposal. Mr. Kyl was the Senate Republican delegate in talks led by Vice President Joseph R. Biden, Jr.

Visiting an Alcoa plant in Iowa last month, Mr. Obama emphasized the importance of creating jobs in manufacturing. But manufacturers say the repeal of LIFO would have just the opposite effect.

"The president's proposal would be devastating," said C. William Jones, vice chairman of O'Neal Industries, a 90-year-old family owned metals company in Birmingham, Ala. "It would increase our tax bill by tens of millions of dollars. Thousands of companies would be affected the same way."

Charles W. Mulford, a professor of accounting at the Georgia Institute of Technology, said that at first glance the LIFO proposal looked like "an easy source of revenue." But, he said, "it taxes illusory income, phantom profits that result from inflation."

The LIFO method of accounting is beneficial to companies that face rising costs for the goods they buy or produce. They can assume, for tax purposes, that the goods sold in any given year are the ones most recently acquired. These new items — the "last in" — cost the company more than older items in its inventory, so the company's taxable income will be lower.

The Internal Revenue Service has allowed this method of accounting since the 1930s. In practice, according to the Congressional Budget Office, some companies prefer to sell their oldest inventory first, to minimize the risk that a product will become obsolete or be damaged. Under the president's proposal, White House officials say, tax-accounting rules would reflect business practice and economic reality.

But that is not true for all companies. Mr. Jones said his company sold its newest inventory first, pulling giant steel beams off the top of the stack.

"LIFO is not an accounting gimmick or a loophole," Mr. Jones said in an interview. "It's been a readily accepted method of valuing inventory for decades."

Ron Travis, Jr., an accountant and vice president at O'Neal, offered an example of how the proposal would wallop his business.

"Assume that I buy a ton of steel for \$1,000, buy another ton a few months later for \$1,100 and then sell a ton of steel for \$1,300," Mr. Travis said. "Under the LIFO method of accounting, my profit is \$200, and if you assume a 40 percent tax rate, I owe \$80 in taxes."

By contrast, Mr. Travis said, under the president's proposal, "my cost would be \$1,000, my profit would be \$300, and I would owe \$120 in taxes."

The president's proposal would also undo the tax benefits that companies have obtained by using the LIFO method of accounting over the years.

"It's a huge retroactive tax," said Jade C. West, senior vice president of the National Association of Wholesaler-Distributors, who is leading the business coalition opposed to the change. "The government would tell companies that they must go back and recalculate the tax savings they have claimed for decades."

The Treasury Department said, in response to a question, that the president's proposal "requires that tax be paid on long-deferred gains." However, it said, the tax could be paid over 10 years.

Mr. Carney, the White House spokesman, estimated that 40 percent of the benefits of the LIFO accounting method went to the oil and gas industry.

"If you're an oil company," Mr. Carney said, "you can sell a barrel of oil today for, let's say, \$100 that you bought two years ago for \$40. Instead of paying taxes on that \$60 profit, you pay taxes on, say, a \$2 profit — if that's what you were able to buy a barrel for yesterday, for \$98."

Stephen E. Comstock, the manager of tax policy at the American Petroleum Institute, confirmed that oil refiners would be exposed to significant new costs under the proposal.

As for Mr. Carney's example, Mr. Comstock said: "It's correct as far as it goes, but it does not reflect the flow of crude through a refinery. If I sell more than I purchased or produced, I would have to pay tax on the difference between \$40 and \$100. The current method of accounting is absolutely fair."

FCC approval of LightSquared, AT&T / T-Mobile merger could be delayed  
Federal Communications Commission (FCC) approval of two big decisions are even more uncertain since one member resigned and another intends to leave later this year, almost certainly before AT&T's proposed \$39 billion merger with T-Mobile or LightSquared's application to operate a wireless broadband network near the GPS bands comes to a vote.

What this means is that despite the desire of AT&T to get their merger done by March 2012, there's a high likelihood that it won't happen by then. With the LightSquared GPS interference issue, things are even more in doubt. There clearly needs to be more testing of the revised solution that LightSquared says will solve the GPS problems. That testing can go ahead regardless of who's on the commission. But after the testing is done, another report will have to be written, taking up even more time.

[Read more](#) - Source: eWeek.com > Mobile

**Related story:** [Falcone Quest](#), a revealing *Vanity Fair* article about Philip Falcone, owner of LightSquared's parent company, Harbinger. The article discusses the possibilities of LightSquared's



## About NAEDA Update

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Dealers Association

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satellite-based network to provide nationwide 4G wireless broadband service, as well as the very real concerns GPS users have about massive potential GPS interference problems that could negatively affect agriculture, national defense and other vital concerns.

### House OKs defense spending bill without controversial contribution disclosure

The U.S. House has passed the fiscal year 2012 defense appropriations bill (H.R. 2219) after adopting amendments that removed restrictions on the Defense Department's ability to contract out commercial functions and prohibited the administration from requiring disclosure of political contributions by federal contractors.

The bill provides \$530 billion in nonemergency funding, which is an increase of \$17 billion over last year's level and a decrease of \$9 billion from President Obama's request. It also contains \$119 billion in emergency spending for overseas contingency operations.

"This bill sustains our military readiness, facilitating the continued modernization of our national defense systems and preserving the American Armed Forces as the greatest military in the world," House Appropriations Chairman Hal Rogers (R-KY) said in a statement following the vote. The bill, according to Rogers, "identifies fiscally responsible savings that will in no way impair the safety of our troops, the success of our military missions or our military readiness."

#### Contractor political contributions

Rep. Tom Cole (R-OK) succeeded in attaching language prohibiting executive agencies from requiring the disclosure of political contributions by an entity submitting an offer for a federal contract. The amendment, which passed, is similar to one Cole included in the defense authorization bill (H.R. 1540) and Department of Homeland Security's FY 2012 spending bill (H.R. 2017) passed by the House.

Cole's amendment tracks legislation he introduced earlier that would prohibit executive agencies from requiring the disclosure of political contributions by an entity submitting an offer for a federal contract. Subsequent legislation introduced by Rep. Darrell Issa (R-CA) and Sen. Susan Collins (R-ME) (H.R. 2008, S. 1100) similarly would amend Title 41 to prohibit inserting politics into the federal acquisition process by prohibiting the submission of political contribution information as a condition of receiving a federal contract.

Collins succeeded during a Senate Armed Services Committee's markup in incorporating S. 1100 into the FY 2012 defense authorization bill (S. 1253) as an amendment.

A draft executive order, which has been circulating in public but has not yet been finalized, would require contractors to disclose as part of the bidding process their "hard money" campaign contributions, as well as currently undisclosed money transferred to outside groups to pay for political activity.

Source: U.S. Chamber of Commerce

### Banks ordered to lower retailers' debit fees

Starting in October 2011, banks aren't going to be able to charge as much as they used to when consumers pay by debit card. The Federal Reserve has issued a final rule on so-called "swipe fees" that are charged to merchants every time a debit card is used.

Retailers have been complaining for years about the fees banks charge whenever a customer pulls out a debit card. Congress listened last year and included an amendment in the big financial overhaul to limit fees on debit transactions.

[Read more](#)

Source: NPR

### Unintended consequences of overly stringent biotech crop regs

Regulation of biotech crops continues to be a public policy issue in the U.S. and other countries that grow and/or use them.

In late June a subcommittee of the Agriculture Committee of the U.S. House of Representatives held a hearing to review the opportunities and benefits of biotechnology and there was a lot of discussion regarding the unintended consequences of overly stringent regulations of biotech crops.

[Read more](#)

Source: The Truth about Trade and Technology

### Attend 25x'25's national wood-to-energy roadmap webinar July 19, noon EST

Dealers are encouraged to attend 25x'25's free webinar, "National Wood-To-Energy Roadmap - A Guide for Developing Sustainable Woody Biomass Solutions," beginning at noon EST on July 19, 2011.

The use of biomass for energy production has recently captured widespread interest as the United States strives to replace both domestic and foreign fossil fuels with home-grown, renewable energy. Biomass—including woody material from forests—is the only renewable energy source that can potentially provide a combination of heat, electricity and liquid transportation fuels.

Both need and opportunity suggest that forests can play an important role in the nation's energy portfolio. However, the use of wood for energy is currently a point of discussion and debate. As policy is established to encourage investments in biomass energy, a thoughtful national deliberation on the use of woody biomass is of paramount importance. The discussion should embrace and balance the full range of viewpoints to derive some agreement on the issues and shape a collective vision for the future.

This webinar will coincide with the 25x'25 Alliance's release of a new report, National Wood-To-Energy Roadmap - A Guide for Developing Sustainable Woody Biomass Solutions, developed by the 25x'25 Wood-to-Energy Work Group. The report, and this webinar, explores four topics vital to the future of biomass energy in America: wood demand and supply, sustainability of forest resources, carbon and climate change, and related policies. The report will be available on the 25x'25 website ([www.25x25.org](http://www.25x25.org)) on Monday, July 18, in advance of the webinar. Please join us for this informative discussion.

Session Leaders:

Bill Carlson, Carlson Small Power Consultants  
Michael Goergen, Society of American Foresters  
Jimmie Powell, The Nature Conservancy  
David Tenny, National Alliance of Forest Owners  
Bryce Stokes, Department of Energy

Moderator: Ernie Shea, 25x25

Date: July 19, 2011

Time: 12:00 p.m. – 1:15 p.m. EDT

How to participate (using both computer and phone):

*Participants must be using Microsoft Internet Explorer as their web browser and pop-up blockers and session cookies must be enabled. Then, participants should visit <http://www.soundpatheview.com> before the webinar to test their system by clicking on the System Check link.*

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Source: 25x25

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## Industry & Manufacturing News

Ritchie Bros. launches new services including real-time auction results, financing

Ritchie Bros. Auctioneers Inc. has launched a bundle of new valued-added services for its customers in the U.S., Canada and around the world.

The new services include detailed equipment information, real-time auction results through [www.rbaction.com](http://www.rbaction.com), equipment financing, powertrain service warranties, and property and cargo insurance.

[Read more](#)

Source: Ritchie Bros. Auctioneers Inc.

Art's Way net income increased 189.6 percent over same period 2010  
The company's revenue increased 16.3 percent to \$7.84 million for the quarter.

Art's Way manufactures and distributes ag machinery, equipment and services. It announced its financial results for the three and six months that ended May 31, 2011.

Art's Way financial highlights for the three and six months ended May 31, 2011:

- Net Income for the three months ended May 31, 2011 increased 189.6 percent over the same

period in 2010.

- Net sales for the three months ended May 31, 2011 were \$7.84 million.
- Operating Income for the three months ended May 31, 2011 increased 158.8 percent over the same period in 2010.
- Net sales for the six months ended May 31, 2011 increased 1.50 percent over the same period in 2010.

Source: Art's Way Manufacturing

### Caterpillar completes Bucyrus acquisition, creating mining equipment group

Caterpillar Inc. has completed its acquisition of Bucyrus International, Inc.

Caterpillar funded the acquisition, valued at approximately \$8.8 billion (including net debt), using cash from its balance sheet and debt.

Caterpillar Group President Steve Wunning will have executive office accountability for Caterpillar's Global Mining business, including Bucyrus.

[Read more](#)

Source: Caterpillar news release

### Construction unemployment slips again in June

The drop in construction unemployment rate suggests workers are leaving the industry, threatening later growth. Officials call on federal and state governments to fully fund infrastructure projects.

Construction employment remained in a five-year-long slump as the industry shed another 9,000 jobs from May to June, according to an analysis of new federal employment data released July 9 by the Associated General Contractors of America.

Association officials said that declines in public sector construction activity will negate any pickup in private sector demand unless Congress and states promptly and fully fund needed infrastructure spending and streamline the approval process for public projects.

The industry unemployment rate fell from 20.1 percent a year ago to 15.6 percent in June 2011, said Ken Simonson, the association's chief economist.

[Read more](#)

Source: Associated General Contractors of America



## NAEDA, Association & Program Partner News

### Spader ag trends for April; dealers report slight increase in whole goods margins

Each month, NAEDA preferred partner, Spader Business Management, compiles information from across the agricultural industry to help dealers make knowledgeable business decisions. These industry composites are available faster than most other industry statistics. The latest data has now been posted on the new Spader Online Services site for you to access.

To view the Spader Financial Trends, visit [www.spader.com](http://www.spader.com) and then click the Login link (in the upper right hand corner) to log in to Online Services, where the newest Trends Watch data has been posted under My Reports / My Industry Reports / Industry. Please establish a log-in user name and password if you have not yet signed up for this free service. Once you register, you will receive monthly Spader Trends Watch notifications going forward. Visit <http://portal.spader.com/portal> to register and for more information.

Spader also publishes more detailed industry financial trends data for participating clients.

Contact Spader for more information on the growing variety of industry aggregates available to dealers.

### EDF funds now available for those affected by river flooding, fires, tornadoes

Throughout the spring and early summer of 2011, many communities in the United States have been damaged by a series of devastating natural disasters, including tornadoes, flooding and forest fires. These disasters have proven to be some of the most destructive in recent U.S. history, leaving death and homelessness in their wake.

If your dealership has been affected by natural disasters recently, or if you or your employees' homes or property have been affected by such disasters, you may qualify to receive financial assistance from the Equipment Dealer Foundation (EDF) Disaster Relief Fund.

Contributions to the fund are welcome!

Additionally, please know that donations are now being accepted for the Disaster Relief Fund to support this very worthy effort. Please consider contributing to help others within the equipment dealer family who may be affected by recent disasters.

### Disaster Relief Fund Grant Application

Dealers and dealership employees who suffer losses in designated disaster areas may qualify for limited assistance. Qualification guidelines are detailed in the EDF Disaster Relief Fund application.

Download a copy of the [Disaster Relief Fund Application](#).

Contributions to the EDF Disaster Relief Fund

The Equipment Dealers Foundation (EDF) Disaster Relief Fund is accepting contributions to provide assistance to dealers and their employees who have suffered losses from natural disasters.

Download a copy of the [Disaster Relief Fund Contribution form](#).

GIE+EXPO releases updated schedule for its Oct. 27-29 show in Louisville, Ky.

GIE+EXPO, the outdoor power equipment industry's largest trade show, has made some adjustments to its 2011 show schedule including the addition of a concert on its opening night, Thursday, Oct. 27. The show will take place in Louisville, Ky., Oct. 27-29 at the Louisville Exposition Center. Please review the following adjusted schedule as of June 27, 2011.

GIE + EXPO Daily Schedule as of 6/27/11 --  
Louisville is on Eastern Daylight Saving Time.

Thursday and Friday

Indoor Exhibits open – 9:00 a.m. – 5:00 p.m.

(Dealers admitted to indoor exhibits – 8:00 a.m.)

Outdoor Demonstration Area open – 10:00 a.m. – 5:00 p.m.

Saturday

Indoor Exhibits open – 9:00 a.m. – 1:30 p.m.

(Dealers and retailers admitted to indoor exhibits – 8:00 a.m.)

Outdoor Demonstration Area closed

Thursday, October 27

10:00 – 11:15 a.m.

Machine-Assisted Paver Installation Demonstration, Chuck Taylor, Oldcastle Architectural, Inc. Outdoor Demonstration Area.

10:00 – 11:15 a.m.

\*Hardscape Demonstration – "Segmental Retaining Wall Installation Fundamentals," Ronnie Birdwell, Sims Stone. HNA Outdoor Arena.

10:00 a.m. – 4:30 p.m.

New Product Launches / Press Conferences. New Products Arena.

10:00 – 11:30 a.m.

\*GIE+EXPO Workshop – Session A. "Adding Hardscape Installation to Your Company's Success," Pat McCrindle, MLPS Paver Systems, Inc. (Repeated Friday, 10 a.m.)

10:30 – 11:30 a.m.

Education for Dealers/Retailers – "Legal Issues Facing Today's OPE Dealers," Gary L. Antoniewicz, Boardman Law Firm LLP. Dealer Resource Pavilion.

10:30 a.m.

STIHL Lumberjack Challenge. Demo Area, D lot.

12 noon – 1:15 p.m.

\*Hardscape Demonstration – "Interlocking Concrete Paver Installation and Specialty Tools for Hardscape Installations," Pat McCrindle, MLPS Paver Systems, Inc. HNA Outdoor Arena.

12:30 p.m.

STIHL Lumberjack Challenge. Demo Area, D lot.

1:30 – 2:45 p.m.

Machine-Assisted Paver Installation Demonstration, Chuck Taylor, Oldcastle Architectural, Inc. Outdoor Demonstration Area

1:30 – 2:45 p.m.

\*Hardscape Demonstration – "Low-Voltage Lighting for Hardscape Installations," speaker TBA. HNA Outdoor Arena.

2:00 – 3:30 p.m.

Education for Dealers/Retailers – "Generating and Managing Online Leads for Higher Sales Conversion Rates," Bob McCann, ARI. Dealer Resource Pavilion.

2:30 p.m.

STIHL Lumberjack Challenge. Demo Area, D lot.

3:00 – 4:15 p.m.

\*Hardscape Demonstration – "Construction Best Practices for Permeable Interlocking Concrete Pavement," Chuck Taylor, Oldcastle Architectural, Inc. HNA Outdoor Arena.

3:00 – 5:00 p.m.

\*GIE+EXPO Expo Workshop – Session B. "How to Become a Great Foreman," Phil Harwood, Pro-Motion.

7:00 p.m.

The Monarchs opening for the Stealing Angels concert (9:00 p.m.) at 4<sup>th</sup> Street Live! Free.

Friday, October 28

8:00 – 9:30 a.m.

\*Dealer Resource Roundtable Breakfast. Sponsored by STIHL and Gravely. Lobby, North Wing.

10:00 – 11:15 a.m.

Machine-Assisted Paver Installation Demonstration, Chuck Taylor, Oldcastle Architectural, Inc. Outdoor Demonstration Area.

10:00 – 11:15 a.m.

\*Hardscape Demonstration – “Enhancing Hardscape Projects with Water Features,” speaker TBA. HNA Outdoor Arena.

10:00 a.m. – 4:30 p.m.

New Product Launches / Press Conferences. New Products Arena.

10:00 – 11:30 a.m.

\*GIE+EXPO Workshop – Session C (Repeat of Session A). “Adding Hardscape Installation to Your Company’s Success,” Pat McCrindle, MLPS Paver Systems, Inc.

10:30 – 11:30 a.m.

Education for Dealers/Retailers – “Harnessing the Power of Social Media,” Sabrina Sebastian, Fastline Publications. Dealer Resource Pavilion.

10:30 a.m.

STIHL Lumberjack Challenge. Demo Area, D lot.

12 noon – 1:15 p.m.

\*Hardscape Demonstration – “Top Hats and Tuxedos: Steps, Columns and Seat Walls for Residential Hardscapes,” Pat McCrindle, MLPS Paver Systems, Inc. HNA Outdoor Arena.

12:30 p.m.

STIHL Lumberjack Challenge. Demo Area, D lot.

1:30 – 2:45 p.m.

Machine-Assisted Paver Installation Demonstration, Chuck Taylor, Oldcastle Architectural, Inc. Outdoor Demonstration Area.

1:30 – 2:45 p.m.

\*Hardscape Demonstration – “Building the Outdoor Room.” Pat McCrindle, MLPS Paver Systems, Inc. HNA Outdoor Arena.

2:00 – 3:30 p.m.

Education for Dealers/Retailers – “Building and Maintaining a High-Performance Service Department,” Bob Clements, Bob Clements International. Dealer Resource Pavilion.

2:30 p.m.

STIHL Lumberjack Challenge. Demo Area, D lot.

3:00 – 4:15 p.m.

\*Hardscape Demonstration – “Cleaning and Sealing Concrete Pavers,” Russ Heitman, Seal ‘n Lock System Corp. HNA Outdoor Arena.

3:00 – 5:00 p.m.

\*GIE+EXPO Workshop – Session D. “Ten ‘Best’ Practices that All Smaller, Growing Companies Need to Know and Practice,” Bill Arman, The Harvest Group.

8:00 p.m.

The Davisson Brothers opening for the Charlie Daniels Band concert (9:00 p.m.) at 4<sup>th</sup> Street Live! Free.

#### Saturday, October 29

9:00 – 11:00 a.m.

\*GIE+EXPO Workshop – Session E. “Breakthrough Selling in a Tough Economy,” Jeffrey Scott, Landscape Success Systems.

10:00 – 11:00 a.m.

Education for Dealers/Retailers – “Leveraging Aftermarket Selling Opportunities,” Bob Clements, Bob Clements International. Dealer Resource Pavilion.

12:30 p.m.

Dealers’ Choice Awards. New Products Arena Stage.

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The Professional Landcare Network’s (PLANET’s) Green Industry Conference (GIC) and Professional Grounds Management Society’s (PGMS’) School of Grounds Management will take place October 26-29. For details see [www.GreenIndustryConference.org](http://www.GreenIndustryConference.org) and [www.PGMS.org](http://www.PGMS.org). Interlocking Concrete Pavement Institute’s education program will run October 25-29; see [www.HardscapeNA.com](http://www.HardscapeNA.com).

\*Note: Pre-registration and/or additional fees are required for some Hardscape Demonstrations, the Dealer Resource Roundtable Breakfast and GIE+EXPO Workshops.

For more information about the 2011 GIE+EXPO, visit [www.gie-expo.com](http://www.gie-expo.com)

CWEDA’s JayDee AgTech to integrate Enterprise xSellerator across all locations

JayDee AgTech has contracted with IRON Solutions, Inc. to implement Enterprise xSellerator™, the online customer and equipment lifecycle management service, throughout its nine locations across western Canada.

Enterprise xSellerator, which is exclusively for John Deere dealers, powers enterprise business processes like customer segmentation, account management, direct marketing, and sales profitability benchmarking to drive financial results.

xSellerator connects with existing dealer management systems and John Deere tools, including JDIS and JDAIM. IRON's cloud-based, on-demand services are built on NetSuite's platform.

[Read more](#)

Source: IRON Solutions

## Canadian News

### Canadian government announces new approach to address skills shortages

The federal government is taking action to address skills shortages so Canadians can train for jobs in a changing economy.

Currently Canada's economic recovery is threatened by a lack of information among employers and workers for the skills needed in the workforce.

[Read more](#)

Source: MarketWire

### Canada looks to strengthen trade relationship with China

Canada's new foreign affairs minister is making it clear that the Conservative government will continue to press China on human rights, but says that shouldn't stop the countries from taking their economic relationship to the next level.

John Baird said that the government will continue to have "frank yet respectful" discussions with Beijing about the importance of human rights standards, in pursuit of a principled foreign policy approach.

[Read more](#)

Source: The Globe and Mail

### Ag Canada cuts wheat production forecast, ups canola

Canada's agriculture department slashed its production forecast for wheat, but raised its canola outlook, while warning that overall crop stocks will drop to a record low this summer.

Agriculture Canada released its grain and oilseed outlook, which is based on analysis, not a farmer survey. The department lowered its estimates of seeded area for most crops to account for a wet spring that left millions of unplanted acres. The downsized area resulted in Agriculture Canada's reduced harvest outlook versus its June 7 report.

[Read more](#)

Source: Reuters Canada

## Tip of the Month



[Training Requirements for Dealership Employees](#)

### Free KPA webinars

- July 21, 2011 - [Employee vs. Independent Contractor: How to Tell the Difference](#)
- July 28, 2011 - [The Future of HR for Dealerships](#)

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