



# NAEDA Update

NORTH AMERICAN EQUIPMENT DEALERS ASSOCIATION e-newsletter

Thursday, December 15, 2011

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## Legislative & Regulatory News

### **AEM commends Senate action on national ag machinery lighting/marketing legislation**

The Association of Equipment Manufacturers (AEM) applauds U.S. Senate committee approval of legislation to improve safety on rural roads by providing consistency regarding lighting and marking requirements for agricultural machinery. The legislation was included in a highway safety bill approved by a voice vote of the Senate Committee on Commerce, Science and Transportation. The association expects to now see the measure combined with the "highway bill" due for consideration early in 2012.

The national legislation uses the standard developed by the American Society of Agricultural and Biological Engineers (ASABE) for establishing a national minimum for lighting and marking agriculture equipment. Many states have already incorporated the ASABE standard or earlier versions into their motor vehicle codes, and ASABE says that, as a result, "countless American lives have been spared from roadway tragedy."

AEM supports the legislation, and at AEM's request, Sen. Klobuchar (D-MN) and Sen. Thune (R-SD) introduced the legislation. Sen. Stabenow (D-MI), Chair of the Ag Committee, is a co-sponsor. Two members of the House of Representatives, Phil Hare (D-IL) and Aaron Schock (R-IL), sent a "Dear Colleague" letter to other members of the House in support of the legislation. The letter points out the need for federal legislation since "state laws that apply vary widely, often representing outdated technology."

The letter stated, "Fifty-five percent of all traffic fatalities occur on rural 2-lane roads where agricultural equipment is moved from field to field during the dimly-lit periods of dawn and dusk, and proper lighting and marking can enhance visibility and increase the safety of transportation on these roads."

The bill is not retroactive and thus will pose no costs to farmers for existing machinery.

### **Congress debates payroll tax cut, government funding omnibus**

Prospects for a year-end congressional compromise on key tax and spending legislation grew more complicated Tuesday, as the Republican House passed a controversial version of a payroll tax cut extension despite a veto threat from the White House.

The increasingly contentious tax dispute threatens to derail what had been an emerging compromise on separate legislation to fund the government through next September, raising the specter of a possible government shutdown this weekend if the conflict is not resolved by Friday.

Read [more](#)

Source: Washington Post

### **Task Force releases final strategy for reversing deterioration of Gulf ecosystem**

The Gulf Coast Ecosystem Restoration Task Force released its final strategy for long term ecosystem restoration for the Gulf Coast, following extensive feedback from citizens throughout the region.

## CEO Blog

### **Do You Tweet? December 2011**

Recently, while attending the Iowa-Nebraska Equipment Dealers Association annual meeting, I had the opportunity to hear Sabrina Sebastian, marketing and media manager for Fastline Publications, discuss social media. She does an excellent job of making a complex topic seem a little more manageable, and I would like to give her credit for most of the ideas contained in this article.

It is impressive to hear the statistics on whom and how many are currently using social media. For instance, more than 400 million people log on to Facebook every day, and the average user spends 55 minutes per day on the site. In fact, if Facebook were a country, it would be the fourth largest! Consider that more than 2 billion (yes billion with a "B") videos are viewed on YouTube every single day. And, there are many more surprising statistics, but suffice it to say that social media is a big deal. Just ask the 106 million Twitter users, of which 37 percent use mobile phones to tweet.

Intrigued yet? Well, consider some of the ways businesses are using social media to make money. Yes, that's right—to make money—such as promoting the business or brand, offering specials to loyal customers and announcing new products or services. The great thing about promoting products through social media is that you can make it personal.

Social media can also be effective in educating customers. For instance, "how-to" videos are inexpensive and can easily be posted on YouTube. Posting "Top 5" or "Top 10" lists of products, brands or services can certainly be a fun way to provide information about your business. And seminars can be offered covering a plethora of topics. There are, of course,

The Task Force delivered the final strategy on Friday, Dec. 2 to President Barack Obama, who established the Task Force by executive order, to continue the Administration's ongoing commitment to the Gulf region. The group is made up of representatives from the five Gulf States and 11 federal agencies.

With the release of the final strategy, the Task Force marks the beginning of the implementation phase of the strategy by announcing new initiatives, including \$50 million in assistance from the U.S. Department of Agriculture's Natural Resources Conservation Service's to help agricultural producers in seven Gulf Coast river basins improve water quality, increase water conservation and enhance wildlife habitat.

Among the key priorities of the strategy are:

- 1) Stopping the Loss of Critical Wetlands, Sand Barriers and Beaches
- 2) Reducing the Flow of Excess Nutrients into the Gulf
- 3) Enhancing Resiliency among Coastal Communities

[Click here to review the final strategy.](#)

Source: U.S. EPA

### **New rules ban telephoning while driving**

The Federal Motor Carrier Safety Administration (FMCSA), jointly with the Pipeline and Hazardous Materials Safety Administration (PHMSA), has announced a final rule prohibiting interstate trucks and bus drivers from using hand-held cell phones while operating commercial motor vehicles.

Drivers who violate the restriction will face penalties of up to \$2,750 for each offense and may be disqualified from operating a commercial motor vehicle for multiple offenses. Additionally, states will suspend a driver's commercial driver's license after two or more serious traffic violations. Commercial truck and bus companies that allow their drivers to use hand-held cell phones while driving will face a maximum penalty of \$11,000.

This rule will go into effect on January 3, 2012. However, multiple "gray areas" remain to be cleared up. Basically, the rules restrict a driver from holding a mobile telephone to conduct a voice communication and dialing a mobile telephone by pressing more than a single button. At this time, hand-free use is allowed via either an earpiece (Bluetooth) or speakerphone.

Companies need to focus on educating ALL drivers, putting together a policy, having drivers document that they have been trained, and making sure that ALL drivers are following the regulation.

[Click here to download the Cell Phone Restriction Rule.](#)

### **Salazar, Vilsack Announce Important Step in Establishing 21st Century Conservation Service Corps**

Secretary of the Interior Ken Salazar and Secretary of Agriculture Tom Vilsack have announced an important step in the creation of a 21st Century Conservation Service Corps (21CSC), an organization called for in President Obama's America's Great Outdoors Report. Secretaries Salazar and Vilsack named members of a newly-established federal advisory committee that will provide recommendations on how to build on the important ongoing work of local, state, federal and non-profit youth conservation corps that engage young Americans in hands-on service and job training experiences on public lands and open spaces.

21CSC will empower young people – including low-income, underserved and diverse youth and returning veterans – with valuable training and work experience, while accomplishing important conservation and restoration work for America's great outdoors, waterways and cultural heritage sites.

[Read more](#)

### **Farm dust bill approved in House**

The House on Thursday afternoon approved legislation Republicans said was aimed at ensuring that the Environmental Protection Agency (EPA) cannot regulate so-called "farm dust."

The Farm Dust Regulation Prevention Act, H.R. 1633, which would prevent the EPA from issuing any new rule over the next year that regulates coarse particulate matter, or "nuisance dust," passed in a 268-150 vote.

Read [more](#)

Source: The Hill

infinite ways of sharing information, such as straightforward or entertaining.

Another way social media can be used is to offer recognition to employees or discuss community events your business may be promoting. Letting people know about awards the company or employees have received helps build recognition and credibility, and can speak volumes on behalf of your business.

Customer participation through social media can also help gather information. For instance, you can conduct a focus group or quick survey about products or services you offer. What a great tool for "connecting" on a more consistent basis. Put up a blog to offer your ideas and opinions while garnering participation and valuable feedback from current and potential customers.

What about the equipment industry specifically? More than 50 percent of large corn and soybean farmers use social media, according to Sabrina's statistics. In a recent survey of farmers, 48 percent indicated they texted five times or more PER DAY. Sixty-three percent of those surveyed also transmitted photos via their smartphones!

Convinced to at least try it? Well, this is the point where I would tell you that social media is not without its challenges and work to make it successful. Just like anything else you do in your business, it starts with a vision and a goal, and then the practical tactics to execute. What is your vision; what do you hope to accomplish through the use of social media?

A good set of policies and procedures always helps; concepts like being professional, providing boundaries for use by employees, and what happens if you receive some unwanted criticism from a disgruntled customer, etc. In other words, cover the bases ahead of time, and think through how you want to engage in social media and what face you want to present.

Starting out, you will probably need to assign a point person in your business to be responsible for the use, content, maintenance and implementation of your social media plan. It could be a person on staff or an intern from the local FFA chapter or 4-H club. Like any other part of your business, it will take focus, commitment and knowledge to have a chance of being successful and sustainable.

I have never been a "bleeding edge" kind of person when it comes to technology. However, after listening to Sabrina on more than one occasion and trying some of this at NAEDA, I have come to the conclusion that being on or near the "leading edge" can

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**Industry & Manufacturing News**

**Joint Statement from Department of Defense and Department of Transportation Issued on GPS**

On Wednesday, December 14, a government technical group reviewed the findings from last month's testing of LightSquared's proposal to provide new broadband service. The final test report will be sent to the National Telecommunications and Information Agency (NTIA), which advises the President on telecommunications policy, and represents federal agencies to the Federal Communications Commission (FCC).

Preliminary analysis of the test findings found no significant interference with cellular phones. However, the testing did show that LightSquared signals caused harmful interference to the majority of other tested general purpose GPS receivers. Separate analysis by the Federal Aviation Administration also found interference with a flight safety system designed to warn pilots of approaching terrain.

The findings were presented to the technical steering group which represents the seven federal agencies that make up the Space-Based Positioning Navigation and Timing Executive Committee. Over the next several weeks, the final analysis of the findings will be completed and a final report will be transmitted from NTIA to the FCC. Read [more](#)

**Stihl Inc. to expand Va. Beach site, hire 52 new workers**

Power tool manufacturer Stihl Inc. plans to spend \$10.3 million to build an expansion at its U.S. headquarters and hire 52 new workers, city officials are set to announce today.

The expansion would allow the German company to double its manufacturing capacity for "blow-molded" plastic products, such as tubes used for blowers and fuel tanks.

Read [more](#)

Source: The Virginian-Pilot (Norfolk)

be profitable for a business. My only purpose today is to simply whet your appetite for considering trying social media. We have a Twitter account at NAEDA. Do you tweet, as well? And that's the way I see it.



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The North American Equipment Dealers 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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## AEM releases annual agriculture equipment business "outlook"

Agricultural machinery manufacturers expect overall 2011 business to the U.S., Canada and worldwide to grow in the 6-to-7-percent range by year-end but then taper off 2012 through 2014, with exports sales anticipated to increase the most, according to the annual business "outlook" survey of the Association of Equipment Manufacturers (AEM).

### Survey Summary:

- For 2011, overall business in the United States is expected to grow 6.4 percent compared to the previous year; Canadian business is forecast to increase 7.6 percent; and industry business to the rest of the world is anticipated to gain 6.9 percent.
- U.S. agricultural machinery business is then predicted to grow 4.9 percent in 2012, 2.9 percent in 2013, and 2.8 percent in 2014.
- Canadian business overall is expected to be 4.8 percent higher in 2012, then increase 2.2 percent in 2013 and 1.7 percent in 2014.
- Industry business to the rest of the world is anticipated to gain 5.1 percent in 2012, 4.7 percent in 2013, and 4.6 percent in 2014.

Looking at combine and tractor sales for the U.S. and Canada, declines are mostly expected for combines; for 4-wheel-drive tractors, sales are expected to be stronger 2011 – 2012 and then decline; and among 2-wheel-drive tractors, business is predicted to grow the most overall for machines in the 40-100 HP range. For other types of equipment, while there is a wide range in response, demand is expected to remain in the plus column for most products 2011 through 2014.

The survey asked respondents to rank how several factors would influence sales. Commodity prices were cited as a key positive factor, as well as interest rates and increased export demand. Negative factors included the state of the general economy and steel prices.

This year's edition of the "outlook" report covers 22 types of farm-related equipment.

[Click here for full survey results.](#)

Source: AEM

## NAEDA, Association & Program Partner News

### FedEx and UPS to Raise Small Package Rates for 2012

The North American Equipment Dealers Association Shipping Program, managed by PartnerShip, today announced that FedEx Corp. and UPS will increase envelope and small package shipping rates for 2012.

### Air Shipping Costs to Increase

Effective January 2, 2012, the cost to ship an overnight envelope with Memphis-based FedEx Express will increase by a net average of 3.9%. The full average rate increase of 5.9% will be partially offset by adjusting the fuel price threshold at which the fuel surcharge begins, reducing the fuel surcharge by 2%. Air packages shipped with Atlanta-based UPS will increase by a net average 4.9% beginning January 2, 2012. The rate increase for UPS air and international shipments is based on a 6.9% increase in the base rate, less a 2% reduction to the index-based air and international fuel surcharge.

### Ground Shipping Rates Going Up As Well

Effective January 2, 2012, the cost to ship with FedEx Ground will increase by a net average 4.9%. The full average rate increase of 5.9% will be partially offset by adjusting the fuel price threshold at which the fuel surcharge begins, reducing the fuel surcharge by 1%. UPS ground shipping will also increase by a net average 4.9% for U.S. domestic services, achieved through a 5.9% increase in the base rate, less a 1% reduction to the index-based ground fuel surcharge.

Additionally, UPS Next Day Air Freight and UPS 2nd Day Air Freight rates for shipments within and between the U.S., Canada and Puerto Rico will increase 5.9%. UPS 3 Day Freight rates will remain unchanged.

### Goodman Receives "Hometown Hero" Award

Andy Goodman, President/CEO, Iowa-Nebraska Equipment Dealers Association was presented with the "Hometown Hero" award by the Greater Des Moines Convention and Visitors Bureau and Des Moines Area Sports Commission.

The award was presented to Andy for his efforts in bringing meetings and events to the Greater Des Moines area. In addition to various association events Andy has been instrumental in facilitating bringing other meetings and events to Des Moines.

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Congratulations Andy!

### **It's not too late to make a year-end tax deductible donation for disaster relief**

The Equipment Dealer Foundation Disaster Relief Fund was established by NAEDA and its affiliated associations in September 2005, after Hurricane Katrina caused severe destruction along the Gulf Coast. The fund was originally designed to help offset some of the financial demands faced by dealers and employees where dealership employees were either evacuated or forced to leave their homes because of severe storm damage, flooding and power losses.

The fund remains in place today and continues to assisted dealers and their employees affected by hurricanes, flooding, tornados, fires and other natural disasters. Grants may be used for food, living expenses, temporary accommodation, home repair, home replacement, permanent home construction, transportation, and other approved needs.

Since Katrina, the EDF Disaster Relief Fund has provided more than \$200,000 grants to dealers and their employees in the U.S. and Canada. All from support of dealers and manufacturers.

Now is the time to take advantage of year-end tax planning by making a donation to the relief fund.

If you are interested in donating to the EDF Disaster Relief Fund, go to [www.naeda.com](http://www.naeda.com) or call (636) 349-5000 for more information. EDF is the publicly supported 501 (c) (3) charitable organization of the North American Equipment Dealers Association and all donations are tax deductible.



## **Canadian News**

### **Wheat Board takes Ottawa to court over rule of law**

In what could be the last stand of the Canadian Wheat Board, its directors are seeking an injunction to prevent the federal government from implementing its legislation to kill the CWB monopoly. Read [more](#)

### **Farmers in holding pattern on fertilizer prices**

Normally around this time of year Doug Chorney would be putting in orders for fertilizer for his farm near Selkirk, Man. Not this year. "We're definitely waiting," said Mr. Chorney, who keeps in regular contact with his fertilizer dealer to see where prices are headed. "I'm hearing a lot of concern among farmers around here about what they should do at year-end." Read [more](#)

### **Bank of Canada stays in neutral**

The Bank of Canada held its benchmark interest rate steady at one per cent, with the central bank warning that the country's economy is performing slightly better than expected but will soon change. Read [more](#)

### **Canada set for tamer growth as factories struggle**

Canadian factory sales slumped in October after three months of gains, confirming suspicions the final stretch to the end of the year will see a slowdown from the brisk economic growth of earlier months. Read [more](#)

### **Budget 2012 Will Remain Focused on Jobs and Growth**

Jim Flaherty, Minister of Finance, said that the next federal budget will stay focused on growing the economy, protecting Canadian jobs, reducing the deficit, and returning to balance in the medium term. Speaking to the Canadian Club of Toronto, the Minister said, "In uncertain times, the most important contribution the Government can make to bolster confidence and growth in Canada is to maintain a sound fiscal position. Read [more](#)

## **Tip of the Month**

# NAEDA Compliance Tip of the Month

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## [December Compliance Tip of the Month: SPCC? ASAP!](#)

The deadline for completing a Spill Prevention, Control, and Countermeasure (SPCC) plan for your facility has been extended six times since 2002, but the latest deadline on November 10, 2011 has passed without an extension. The New SPCC regulations are now law.

### **Free KPA webinars**

- Watch this space for upcoming KPA HR webinars.

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