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NORTH AMERICAN EQUIPMENT DEALERS ASSOCIATION e-newsletter

Thursday, April 12, 2012

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Legislative & Regulatory News

Farm Bill's cloudy forecast

Even though the House Republican budget is dead on arrival in the Senate, the benchmark it sets for spending battles could cause serious headaches for top Agriculture Committee members tasked with passing a farm bill this year.

Farm bills always bring out massive lobbying campaigns and become magnets for partisan causes, but House Agriculture Chairman Frank Lucas (R-OK) said last week that the current political climate has made it more difficult than ever to move a farm bill.

[Read more](#)

Source: Roll Call

Senate Ag Committee to Markup Farm Bill Soon

With the Senate Farm Bill hearings over, Senate Agriculture Committee Chair Debbie Stabenow (D-MI) has said that the markup portion of the process will begin very soon. Although a deadline has not been set, Stabenow has indicated her committee will likely markup legislation by the end of April. The Senate Agriculture Committee is still working off the \$23 billion reduction included in the recommendations to the super-committee Stabenow and House Agriculture Committee Chairman Frank Lucas (R-OK) made last fall. However, with the passage of the Ryan (R-WI) budget in the House, the House Agriculture Committee will likely work off a \$33 billion reduction. In related news, Senators Kent Conrad (D-ND), Max Baucus (D-MT), and John Hoeven (R-ND) introduced a proposal aimed at updating the commodity title. The legislation would combine Supplemental Agricultural Disaster Assistance (SURE) and Average Crop Revenue Election (ACRE) to create the Revenue Loss Assistance Program (RLAP), makes the Livestock Disaster Assistance program permanent, and renews the Counter-Cyclical Program.

Farm Bill Energy Title Letter Sent

NAEDA joined more than 100 organizations in sending a letter to the leaders of the House and Senate Agriculture Committees asking for the reauthorization and funding of Farm Bill energy title programs. The programs, the letter said, revitalize rural America, help the emergence of new agricultural markets, enhance national security and improve the environment.

The organizations signing the letter represented a broad and diverse array of renewable energy, energy efficiency, farm, ranch, commodity, environmental, and other groups. The letter was organized by the Agriculture Energy Coalition, a broad membership-based consortium of organizations and companies

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CEO Blog

"What is the Food, Conservation and Energy Act?"



April 2012

If I randomly asked people if they have ever heard of the Food, Conservation and Energy Act or what it entails, I doubt if too many would have a clue? On the other hand,

if I said it is also known as the 2008 "Farm Bill," they would probably have some mental image of what they think the bill is about or what it does.

Over the past 50 years, the so-called Farm Bill has been called many things. For instance, in 1965 it was titled the Food and Agricultural Act. In 1985, it was called the Food Security Act. By 1990, it had transitioned into the Food, Agriculture, Conservation and Trade Act. One would be hard pressed to find the word "Farm" anywhere in the bill's title. Yet, at the end of the day, it is most commonly referred to as the Farm Bill.

Also, let's examine it from a budget outlay perspective. To paraphrase a USDA spokesperson who addressed the 2012 NAEDA Fly-In held March 21-22 in Washington, D.C., approximately \$900 billion will be spent on all the various titles of the bill over a 10-year period. Of that

representing the entire spectrum of clean, renewable energy and bioproducts stakeholders.

The letter urges lawmakers to insure farmers, ranchers, and rural small businesses have the benefit of dependable and predictable financial support throughout the life of the next Farm Bill.

View a copy of the [letter](#).

NLRB rule to go into effect April 30

The Final Rule issued by the National Labor Relations Board (NLRB) requiring employers to post employee rights under the National Labor Relations Act (NLRA) will go into effect on April 30, 2012.

Under the NLRB rule, employers whose workplaces fall under the NLRA will be required to post an employee rights notice in the workplace where other notices relating to workplace policies and procedures are posted. The notice, currently available at no cost from the NLRB, outlines employees' rights to participate in or abstain from union activity. It also provides examples of unlawful employer and union conduct and explains how to contact the NLRB with questions or complaints.

The poster is available from the NLRB at no charge and must be posted using the following guidelines:

- The 11-in.-by-17-in. notice should be posted in a conspicuous place where other notifications of workplace rights and employee rules and policies are posted.
- Workplaces where at least 20 percent of employees are not proficient in English must post a translated version, also available from NLRB.
- If personnel rules and policies are posted on an intranet or Internet site, the notice must be posted there as well.

While the U.S. District Court for the District of Columbia ruled that the NLRB has sufficient rulemaking authority under the NLRA to make this requirement, the court did invalidate some enforcement sanctions in the rule, including the following:

- The NLRB does not have the authority to state that an employer's failure to post the notice will always constitute an unfair labor practice. Instead, the NLRB must determine in each individual case that the absence of the notice actually interfered with employee rights under the NLRA.
- The NLRB has no authority to extend the time period set by Congress for filing unfair labor practice charges against an employer.

[Click here](#) for more information and the required poster.

Environmental Groups Sue EPA over Mississippi River

A new lawsuit alleges that the Environmental Protection Agency violated the Administrative Procedure Act when it refused a 2008 petition that would have required states to develop water quality standards for the Mississippi River Basin and the northern Gulf of Mexico. The lawsuit, filed March 13 by 11 environmental organizations in six states, asks the U.S. District Court for the Eastern District of Louisiana to declare that EPA's denial of the petition was not compatible with the law.

In the fall of 2011 EPA denied the Minnesota Center for Environmental Advocacy's petition request to develop Numeric Nutrient Criteria (NNCs) for the Mississippi River Basin and Gulf of Mexico. The EPA denied this request with claims that the petition's demands were out of its jurisdictional duties.

If the EPA loses the lawsuit and has to impose NNCs in the Mississippi River Basin, agricultural producers could expect to be constrained by new regulatory requirements. The environmental groups are asking the agency to respond within 90 days.

EPA to Allow 15 Percent Renewable Fuel in Gasoline

Agency approves first applications for registration of ethanol to make E15.

The U.S. Environmental Protection Agency (EPA) approved the first applications for registration of ethanol for use in making gasoline that contains up to 15 percent ethanol – known as E15. Ethanol is a renewable fuel that can be mixed with gasoline. For over 30 years ethanol has been blended into gasoline, but the law limited it to 10 percent by volume for use in gasoline-fueled vehicles. Registration of ethanol to make E15 is a significant step toward its production, sale, and use in model year 2001 and newer gasoline-fueled cars and light trucks.

To enable widespread use of E15, the Obama Administration has set a goal to help fueling station owners install 10,000 blender pumps over the next 5 years. In addition, both through the Recovery Act and the 2008 Farm Bill, the U.S. Department of Energy (DOE) and U.S. Department of Agriculture have provided grants,

amount, over 70% is dedicated to food and nutrition programs such as food stamps, etc. The remaining 30%, or less, are divided between commodity programs and conservation programs that actually are aimed toward farmers and other landowners.

However, it is all too common for the popular press to lump all these payments together as "subsidies" to farmers. It is true, of course, that farmers do benefit from any additional food purchases made by consumers, whether through food stamps or not, but it is a far cry from a dollar-for-dollar direct payment to farmers.

Congress is now preparing to pass another so-called Farm Bill in 2012 or shortly thereafter. Budget considerations will be a key factor in determining the fate of commodity programs and direct payments to farmers in the new Farm Bill. Virtually everyone I spoke with during our Fly-In predicts that any direct payments to farmers are GONE! That was the 100% consensus of people in Congress, the congressional staff, USDA policy personnel and other organizations. Instead, more emphasis will be placed on crop insurance and other programs that cover some losses when the weather or markets do turn against farmers.

As often happens, you are probably wondering what is this guy's point? Actually, I have several points. First, the Farm Bill was one of four major priorities we asked Fly-In attendees to discuss with their elected officials. Several speakers also made reference to this particular piece of legislation in their presentations.

Secondly, it has become evident that the funding for the Farm Bill will be reduced. The question now becomes, what will be cut? More than likely, any cuts will be heavily weighted towards reducing direct payments to farmers versus those going to food programs targeting consumers. Even other titles of the bill, particularly those dealing with education, conservation and trade, are less likely to face the budget ax. My final point is: It is a misnomer and a public relations nightmare to continue calling this legislation the Farm Bill! Very little of the legislation today, and even less in the future, is going to benefit farmers. Nearly every so-called Farm Bill in the past 50 years has had the word "Food" in the title. The vast majority of payments related to the bill go to feed people through various food programs.

Why don't we start referring to the legislation by the congressional-given

loans and loan guarantees to spur American ingenuity on the next generation of biofuels.

Today's action follows an extensive technical review required by law. Registration is a prerequisite to introducing E15 into the marketplace. Before it can be sold, manufacturers must first take additional measures to help ensure retail stations and other gasoline distributors understand and implement labeling rules and other E15-related requirements. EPA is not requiring the use or sale of E15.

Ethanol is considered a renewable fuel because it is generally produced from plant products or wastes and not from fossil fuels. Ethanol is blended with gasoline for use in most areas across the country. After extensive vehicle testing by DOE and other organizations, EPA issued two partial waivers raising the allowable ethanol volume to 15 percent for use in model year 2001 and newer cars and light trucks.

E15 is not permitted for use in motor vehicles built prior to 2001 model year and in off-road vehicles and equipment such as boats and lawn and garden equipment. Gas pumps dispensing E15 will be clearly labeled so consumers can make the right choice.

More information [click here](#).

Coalition to Save Our GPS Files FCC Comments

The Coalition to Save Our GPS and LightSquared both filed reply comments with the FCC on Friday, March 30. In a release on its filing, LightSquared said that "a ruling proposed by the FCC staff that would effectively revoke LightSquared's license to operate its network is entirely unsupported by the law, science, and FCC policy and precedent." The Coalition also issued a release, quoting Trimble Vice President and General Counsel Jim Kirkland:

"Try as it might, LightSquared cannot hide the fact that the International Bureau's Conditional Waiver Order in January 2011 was crystal clear that LightSquared was required to demonstrate noninterference to GPS, or it would not be permitted to move forward. This condition reflected the FCC's consistent policy that operations in LightSquared's mobile satellite spectrum were not permitted to interfere with GPS. LightSquared has failed to satisfy the condition it accepted in January 2011 and the Bureau now has only one permissible action that it can take, which is to rescind the waiver. All of LightSquared's arguments at this point amount to nothing more than requests for changes in the rules after the game is over, or requests for special treatment to avoid the consequences of its ill-conceived plans. There is simply no legal or other basis for any of LightSquared's claims." To see the Coalition's reply comments in full, [click here](#). To see a summary of LightSquared's reply comments, [click here](#).

House Passes Ryan Budget, Sets Up Spending Fight With Senate

The House easily passed Budget Chairman Paul Ryan's (R-Wis.) \$1.028 trillion fiscal blueprint today, ending months of GOP infighting over spending levels but scuttling hopes of passing the appropriations bills in regular order this year.

The document sets up a year's worth of political talking points for both parties — with Democrats primed to accuse Republicans of voting to "end Medicare" and the GOP ready to return fire with the claim that they passed a budget while Senate Democrats have not. The Democratic-controlled Senate may take up the Ryan budget, but it would only be to kill it — a scenario that played out last year on a similar House budget plan.

[Read more](#)

Source: Roll Call

USDA Warns of Fraudulent Letters

WASHINGTON, March 16, 2012--USDA officials learned late Friday afternoon, March 16th, 2012, that fraudulent letters are being sent by FAX to individuals and businesses in at least four states. The letters purportedly come from a USDA procurement officer and seek personal information. These letters are false and in no case should a recipient respond with personal and financial information. The fraudulent letters bear USDA's logo and seal and are signed by an individual identified as "Frank Rutenberg" using a title of "Senior Procurement Officer". Letters have been received by FAX in Alabama, Nebraska, Pennsylvania and Wisconsin, but may have also been sent to other states. Recipients should not respond and should not supply the requested information. USDA is investigating this matter through the Office of the Inspector General.

If you suspect you have received such a letter or have questions please contact USDA at: procurement.policy@dm.usda.gov or call 202-720-9448.

name? Better yet, we could shorten the name to the "Food Assistance" or "Consumer Nutrition" bill or some other clever name that depicts where the majority of emphasis and benefit is really directed? I, for one, would support an effort to change the moniker for this legislation. What about you?

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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Industry & Manufacturing News

U.S. manufacturing on track to outperform overall GDP through 2013

Manufacturing continues its forward growth, according to the Manufacturers Alliance for Productivity and Innovation (MAPI) U.S. Industrial Outlook report.

MAPI predicts manufacturing production will increase 4% in 2012 and 3.5% in 2013, compared to GDP growth of 2.2% in 2012 and 2.4% in 2013.

[Read more](#)

Source: Industry Week

Construction equipment demand in Russia forecast to soar

Demand for construction equipment in Russia, including earthmoving and road building machines, is expected to jump in coming years in line with increased infrastructure investments in the country.

According to research company PMR, "The Russian construction equipment market, given the poor average condition of machinery currently in use by Russian builders, boasts many opportunities, for foreign producers in particular. This is due to the fact that the production capacity of the Russian machine building industry will not be able to satisfy the demand which will result from the extensive construction work planned, either in terms of quantity or the quality of equipment and the product range."

[Read more](#)

Source: Construction Europe

Dealer-Manufacturer Relations Survey Published

NAEDA has compiled and published its most comprehensive report on Dealer-Manufacturer Relations to date. Using an enhanced survey and data collection and reporting apparatus, NAEDA asked dealer-members throughout North America to rate their manufacturers on twelve key operating categories. The 60-page report is being released in April to dealers (through their regional affiliate associations) and the manufacturers.

The information can be used to monitor how manufacturers compare with other manufacturers when assessing potential business partners. Manufacturers can use the summary as a baseline for areas of improvement within their organization and the industry as a whole. The aim is to have serious discussions about industry best practices in these key business areas.

Over 1900 total evaluations were collected from dealers throughout North America evaluating twelve categories of dealer/manufacture relationships. This report includes summaries of these survey categories for 39 manufacturer/brands. These companies received a sufficient number of responses necessary to provide meaningful analysis of results. The brands included in the report reflect the diversity of products sold and serviced by dealers

The survey results are broken down into four sections for comparative purposes: 1) All Manufacturers, 2) Ag-Manufacturers-Shortlines, 3) OPE Manufacturers and 4) Major Manufacturers. Each brand's mean score for each category is measured against the mean for all 39 manufacturers plus each manufacturer in the company's specific section. In addition, each company is measured separately against the mean for all manufacturers combined in bar graph form.

An exciting new development related to future surveys – NAEDA will be announcing the creation of a new award called the "Dealer's Choice Award". It will be awarded to the manufacturer scoring highest on the survey among three categories – Major Manufacturers; Shortline Manufacturers; and OPE Manufacturers. There will also be an award for "Most Improved". Details of the award program are still being developed. The awards will first be given following the survey in 2013 and every year thereafter. The awards will place even more emphasis on what dealers say in the survey results!

NAEDA Industry Relations Task Force Meetings

NAEDA and our legal counsel Siegfried Bingham Levy Selzer & Gee, continue to be extremely busy reviewing contract changes proposed by various manufacturers. Many of these reviews are being funded by the NAEDA Industry Relations Fund for the benefit of all dealers. In addition, NAEDA and especially the affiliates, have been tracking and assisting in individual cases of dealer terminations across North America. Several members of the NAEDA Industry Relations Taskforce (IRTF) have attended national dealer meetings of AGCO and Mahindra and have also met with FEMA, AEM, ARA, OPEI. Future meetings are set with Mahindra (April 16-17), Deere (May 24-25), Case IH (July 17-18) and OPEI Board of Directors (June 21-22). You should receive correspondence from your affiliate prior to these meetings if you are a dealer for that particular brand seeking your input.

Seniors and Young Adults Will Influence U.S. Housing Markets

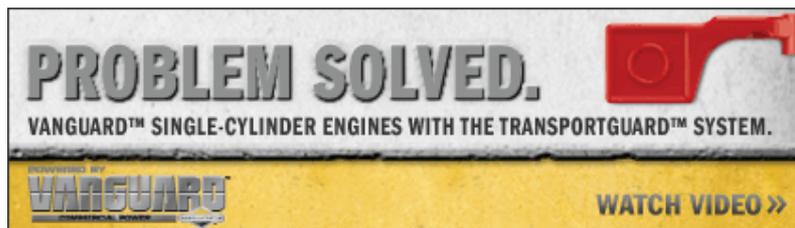
Aging baby boomers and their echo boomer children will significantly impact trends in the nation's housing market over the next 20 years. In a new report released by the Bipartisan Policy Center, "Demographic Challenges and Opportunities for U.S. Housing Markets," researchers at the National Association of Realtors®, The Urban Institute, and the University of Southern California analyze key demographic trends and their likely influence on housing and homeownership in the U.S.

Over the next two decades, the aging baby boomer generation will swell the nation's senior population by 30 million. That demographic shift will likely help increase the supply of housing, since people over age 65 typically release much more housing than they absorb.

Read [more](#)

To read a copy of the [report](#)

Source: National Association of Realtors



NAEDA, Association & Program Partner News

Online registration open for GIE+EXPO 2012

Online registration is now open for the 2012 GIE+EXPO (Green Industry & Equipment Expo), which will be held in Louisville October 24-26.

Outstanding prizes are available for those who register early! Two lucky registrants will win the two grand prizes – \$1,800 travel packages to the show.

[Read more](#)

Source: GIE+EXPO

Canadian News

Federal Budget 2012: Finance Minister Flaherty's vision of smaller government for Canada

Jim Flaherty stuck with tradition and went out and bought new shoes in advance of Thursday's federal budget.

Asked why he forked over \$138.98 for a pair of elegant black dress shoes, plus insoles, instead of having old ones resoled as he did last year, the finance minister said the gloomy economic skies are beginning to clear.

[Read more](#)

Source: Toronto Star

Full budget details are available from Deloitte

The Minister of Finance, James M. Flaherty, presented his 2012-2013 Budget in the House of Commons this afternoon. He announced a projected deficit for the 2011-2012 fiscal year of \$24.9 billion.

The budget reflects the fragile global economic recovery and anticipates modest economic growth in Canada in the near-term.

[Read more](#)

Source: Deloitte

Harper determined to get Canadian oil to Asia

Even if President Barack Obama approved the controversial Keystone XL pipeline tomorrow, at least some Canadian oil would still flow to Asia, according to Prime Minister Stephen Harper.

Harper said Obama's rejection of the controversial pipeline - even temporarily - stressed Canada's need to find other buyers for oilsands crude.

[Read more](#)

Source: Sun News

Thomas Mulcair wins prolonged race for NDP leadership

Canada's New Democrats have chosen Thomas Mulcair to lead their party at a critical time in its history.

The Montreal MP, who has promised to protect the NDP's year-old political beachhead in Quebec, now has the responsibility of leading the party to further success as it tries to replace the governing Tories in the next election.

[Read more](#)

Source: The Province

Unemployment rate in Canada drops as economy adds 82,000 jobs

Employment boomed across the country in March, surging past the 10,000 jobs economists had predicted to 82,300 in a show of unexpected strength, particularly in downtrodden Ontario and Quebec.

With virtually stagnant job numbers over the past five months, the dramatic rise in March lowered the unemployment rate to 7.2 per cent from 7.4.

[Read more](#)

Source: CTV.ca

Canada gets things done, says Finance Minister Flaherty

Finance Minister Jim Flaherty says Canada has an advantage over the U.S. in dealing with the economy — it has a system of government that can make decisions.

In language that might surprise Canadians, Flaherty said the minority Conservatives were able to work with the opposition over the course of five years and implement fundamental policies, including tax reductions.

[Read more](#)

Source: CBC.ca

Feds create new immigration program to get skilled tradespeople to Canada

Ottawa has announced a new immigration program that it says will make it easier for Canadian business to hire the workers most urgently needed — skilled tradespeople.

The new stream for workers in fields such as construction and manufacturing should be set up later this year, said Immigration Minister Jason Kenney in Calgary, the financial heart of Canada's oil and gas industry and a city all too familiar with skilled labour shortages.

[Read more](#)

Source: The Canadian Press

Canada launches trade talks with Japan, eyes Thailand deal

Canadian ag commodity groups are hailing the decision by Canada and Japan to launch formal negotiations toward a free trade agreement.

Prime Minister Stephen Harper made the announcement in Tokyo during a meeting with his Japanese counterpart, Yoshihiko Noda, two days after announcing Canada will pursue "exploratory discussions" toward a free trade deal with Thailand.

[Read more](#)

Source: Alberta Farmer Express

Tip of the Month



[April Compliance Tip of the Month: Spring Cleaning for Three Trouble Areas in the Service Bay](#)

Keeping a facility clean and organized ensures better compliance with environment and safety regulations. It is also connected to improved productivity and employee morale. Take a moment to see if these three

common trouble spots are being addressed at your facility. They can actually indicate the overall performance of your safety program, and are usually targeted during regulatory inspections. Find out more at <http://blog.kpaonline.com/category/tipofthemonth/>

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