




NAEDA makes progress on purity, depreciation






This "Action Alert" icon will be displayed whenever action steps exist to help your voice be heard on topical issues. Dealers can expect to see alerts in all forms of NAEDA communications.

Manufacturer Relations

ISSUE	ACTION SUMMARY	NAEDA'S POSITION
 Dealer Purity	NAEDA's Industry Relations Task Force met with John Deere senior management in May at their headquarters in Moline, Ill., to discuss dealer purity initiatives designed to promote dealer brand loyalty and other issues of concern to dealers. Task force representatives voiced concerns of Deere dealers from throughout North America. Deere's senior management explained the company's position. The task force is currently reviewing information from the meeting, which will be shared with Deere dealers. NAEDA will continue to meet and communicate with dealers and the interested parties to develop additional options discussed during the meeting.	Aggressive dealer purity actions are not in the best interest of dealers or manufacturers. NAEDA believes the marketplace determines "loyalty or purity" and we have indicated as much. Products should meet customers' needs, be high quality, competitively priced, generate a good margin and earn dealer support.
 Market Share	NAEDA's Market Share Task Force met with the AEM Agricultural Statistics Committee in San Antonio in May. This was a follow-up to a March 19 meeting at AEM headquarters in Milwaukee, Wis., at which the statistics group explained the process for gathering, analyzing and using market share statistics. In the most recent meeting, the task force presented proposed discussion topics identified during the previous meeting, from dealer comments and task force research. The AEM committee received 12 points for consideration to improve the accuracy, understanding and acceptance of market share calculations by dealers and manufacturers. The task force and AEM committee plan to meet soon to discuss the points presented in May and develop proposed solutions based on NAEDA comments.	The market share metric is under review. The goal of the task force is to fully understand this metric, how it's used to measure dealership performance, and how it might be improved. It can be a useful metric for dealers and manufacturers. Meetings between NAEDA's Market Share Task Force and the AEM Agricultural Statistics Committee are critical steps in resolving issues.
 Equipment Titling and Registration Task Force	NAEDA's Equipment Titling and Registration Task Force will meet for the second time in Chicago in July. The meeting will include feedback from task force members' constituents about issues or concerns identified during the group's initial meeting in November 2006 and published in a briefing paper. Discussion about points outlined in the briefing paper and any new areas of concern identified will be on the agenda. A briefing paper outlining the issues and concerns is available in the Advocacy Center at www.naeda.com .	While NAEDA helped to organize and is represented on the Equipment Titling and Registration Task Force, the association is especially interested in comments from various stakeholders to identify and discuss the pros and cons of equipment titling and registration.

Government Relations

ISSUE	ACTION SUMMARY	NAEDA'S POSITION
 Accelerated Depreciation	Introduction of an accelerated depreciation bill (H.R. 2280) by Reps. Earl Pomeroy (D-ND) and Wally Herger (R-CA) offers promise to U.S. agricultural dealers for marketing new equipment. Reducing the depreciation schedule for farm and ranch equipment to five from seven years would allow farmers and ranchers to update their equipment sooner and allow the use of the latest and most environmentally friendly technologies. NAEDA is currently promoting a TAKE ACTION campaign to give dealers: (1) the opportunity to show their support for the bill; and (2) the opportunity to write to members of their state's congressional delegation to ask for their sponsorship and support of H.R. 2280. Visit www.naeda.com to TAKE ACTION.	NAEDA has been involved with other industry trade groups to move this legislation forward. At the time of publication, a sponsor of the legislation in the Senate was identified but not confirmed.
 Rural Broadband Access	Proposed changes to USDA Rural Development rules are intended to make it easier for broadband suppliers to acquire loans to provide service in rural areas underserved or totally without broadband service. NAEDA sent a letter to the USDA in support of the rule changes. By making affordable broadband access available, rural residents would have one less reason to move to the city, which is good for dealers.	NAEDA favors government actions that stabilize the rural population base and simultaneously protect agricultural equipment dealers' customer and employee pool base.
 Water Resource Development Act	The Senate, with its \$14 billion Water Resource Development Act, has approved waterways improvements supported by NAEDA. The Senate bill now heads to conference committee to reconcile differences with a House-passed version. An estimated two-thirds of all consumer goods pass through the nation's harbors, including the majority of Midwest grain targeted for export.	NAEDA's support for waterways improvements stems from the vital importance of waterborne transportation for agricultural production inputs and commodities. One of the major benefits of the act will be improvement to inland waterways, including the Mississippi River, where antiquated, 600-ft. locks are targeted for 1,200-ft. replacements.

Federal Legislative Tracking

Farm bill authorizations introduced

Congressman Collin C. Peterson (D-MN), chairman of House Agriculture Committee, is sponsoring H.R. 2419. Among other things, the bill would allow the continuation of agricultural programs through fiscal year 2012. House ag subcommittees are continuing to hold authorization hearings.

In the Senate, S. 1424, introduced by Sens. Edward Kennedy (D-MA), John Kerry (D-MA), Joseph Lieberman (I-CT) and Charles Schumer (D-NY), calls for the authorization to continue an additional year to 2013.

Reserve revenue program proposed

Sen. Richard Lugar (R-IN) is proposing a bill that would direct the secretary of agriculture to establish a low-revenue reserve program for farmers and ranchers. Under the bill, S. 1422, farm income would be stabilized during low-revenue years to assist farmers and ranchers. The bill has been referred to the Senate Committee on Finance.

USDA broadband loan reauthorization

A bill to reauthorize the broadband loan and loan guarantee program under title VI of the Rural Electrification Act of 1936 has been introduced. Sens. Mike Crapo (R-ID), Pat Roberts (R-KS), Ken Salazar (D-CO) and John Thune (R-SD) are sponsors of S. 1439, which has been referred to the Senate Committee on Agriculture, Nutrition, and Forestry.