

The Voice of the UK Construction Equipment Industry



newsline

India

construction sector entering
an era of high growth
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From the President

Well, another year has passed and we have all had a chance to recharge the batteries and reflect on the achievements of 2005. Having paused momentarily it is now time to move forward and for all of us to deliver the individual plans and objectives that each of us have. In addition to those personal objectives we should all consider the larger picture of the industry and the economic climate in which we operate.

As an Association we are embarking on the delivery of our long-term strategy and, as such, have already been on this

journey for some time. Significant progress was made throughout 2005 and we, as a Management Council, are ready to build on the success so far and continue to introduce new initiatives in order to make the UK as competitive a manufacturing base as possible.

Common issues across the European industry

The 2005 Committee for European Construction Equipment (CECE) Summit enabled members from across Europe to discuss and debate the common issues

that affect our industry in Europe. These issues were documented in a new policy brochure which is now available to CEA members. The CEA fully endorses the CECE list of our sector's requirements for support from EU politicians (see box).

Emerging markets

As throughout 2005, the coming year will see increased activity across all disciplines in the emerging markets of China, India and the CIS. As we all know, these areas represent significant opportunities in terms of sales, marketing and, of course, supply chains.

China continues with its growth plan and will see increased sales of construction equipment throughout the year. Indeed, many of our members already have existing relationships in place, with others to be negotiated.

India is also experiencing tremendous growth and has ambitious plans for the country infrastructure and



communications networks (one such project is a fifteen-year plan to widen and pave some 40,000 miles of narrow national highway, with a "first leg" budget of \$6.25 billion!). The CEA's contribution to access this market was our participation at the successful Excon show (in Bangalore) and the recent automotive trade mission to India, designed to assess further opportunities.

Strategy

As already mentioned, the Management Council have been kept busy over the last six months, with the delivery of our strategy from concept to action plan.

Many of the initiatives that we identified and presented at the 2005 AGM have now been started and are making progress. It is planned to give a full update and progress report during our forthcoming AGM Conference on 6 April (details on page 5). We realise that it is necessary to cover all aspects of our members' businesses in order to best represent our members' interests. As such, we ensure that the various sub-committees are fully aligned with today's challenges.

Finally, it is against the aforementioned climate that I have pleasure in wishing every one of you increased success in each of your businesses throughout 2006.

Paul Ross CEA President



CEA Management Council

President:
Paul Ross
Caterpillar (UK) Ltd

1st Vice President:
Colin Wakeham
Bell Equipment UK Ltd

2nd Vice President:
Peter Howe
Komatsu UK Ltd

David Redhead
BSP International Foundations Ltd

Nick Ground
GKD Europe Ltd

Gerald Pratt
HR International Crushing & Screening

Ken Bainbridge
JCB Sales Ltd

Mike Francis
Perkins Engine Co Ltd

David Osgerby
Terex Compact Equipment

Bob James
Truflor Air Movement Ltd

Alan Williams
Volvo Construction Equipment (GB)

Brian Sugden
West Alloy Ltd

Excellence Network

New Excellence Network to be launched

The CEA's *Manufacturing Excellence* programme (2002-2005) helped over 100 OEMs and suppliers in the UK. Over £20 million of efficiency savings and new opportunities were identified via the initiative, making it one of the most successful Industry Forums supported by the government. Changes in the emphasis of DTI policy means that national sectoral programmes are no longer supported in the same way - with the emphasis now on the delivery of business support via regional agencies.

However, the CEA is putting the experience of *Manufacturing Excellence* to good effect by continuing to work with many of the service providers and contacts made during the course of that project. The CEA's AGM Conference on 6 April (details opposite) will provide a briefing on various business improvement services offered by preferred suppliers, some of which attract grant support - under the banner of the *CEA Excellence Network*.

CEA Excellence Network support and services

The CEA *Excellence Network* will include support and services covering a variety of areas. These will include:

- ~ Intellectual property
- ~ Lean manufacturing
- ~ Quality standards
- ~ Prototype development
- ~ R&D tax credits
- ~ Sourcing
- ~ Supply chain analysis
- ~ Systems support
- ~ Strategic consultancy

Supported by a free business improvement adviceline. To register for news on services as they are confirmed e-mail network@admin.co.uk.



Construction Equipment Global Market, Local Impact

AGM Conference

Thursday 6 April 2006

One Great George Street, Westminster, London
09.30 hrs to 16.00 hrs

Programme includes:

CEA Annual General Meeting (members only)

"Global Market, Local Impact"
presentations from industry leaders, experts and commentators, including:

North American Focus
selling into the US

CEA *Excellence Network*
expertise to boost your business

Networking Lunch

plus regulatory and international market breakout sessions

Members and guests : **free of charge**
Non-members : £75 (plus VAT)

To pre-register

Tel: +44 (0)1883 334499 - E-mail: cea@admin.co.uk

"the CEA AGM Conference where the construction equipment industry meets"



In brief

US distributor report

The AGM Conference will include the official launch of the CEA report on "finding and keeping distributors in the US market". This will be the result of research in the marketplace with the assistance of the Association of Equipment Distributors (AED) in the USA and other key partners. This research and the presentation of the report is made possible by UK Trade & Investment (UKTI) helping companies to do business overseas (see www.uktradeinvest.gov.uk).

Refreshments at the House of Lords

At the conclusion of the AGM Conference, attendees are invited for refreshments at the House of Lords by kind permission of Lord Tebbit.



Lord Tebbit will be remembered as a key member of successive governments from 1979 onwards - including a period as Secretary of State at the DTI. He has maintained links with the construction equipment industry over many years and we are delighted to be able to renew our contacts with him. For security reasons we must have advance notice of members and guests joining this part of the programme.

Meet the Members

Thompson Technik achieves environmental standard

Thompson Technik, the plastics engineering company which specialises in vehicle products, has achieved the environment standard ISO 14001: 2004 accreditation at three production sites - in Hull, Newcastle and Bridgend. These sites apply a number of processes to the production of hoods, roofs, interior trim, diesel fuel tanks and other components for off-road and specialist vehicle manufacturers. Nick Pascoe, Managing Director, explains why Thompson Technik decided to go for ISO 14001, he said, "The initiative was driven by rapidly increasing energy and landfill disposal costs as well as increasing sensitivity in the vehicle market to environmental impact and material sustainability. Some

l-r: Mark Jenkins with Dave Jordan, Thompson Technik Bridgend



major target customers now declare this as a core business value and requirement for suppliers. ISO 14001 also ties in with our desire to improve housekeeping and general rigour in all our activities".

For further information contact:
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E-mail: sales@thompson-technik.com
www.thompson-plastics.com



l-r: Chris Westerman, Phil Clipperton and Andy Medd at Thompson Technik Hessele

New members

The CEA is delighted to welcome the following companies into membership since the last issue of *Newsline*:

Hitachi Construction Machinery (Europe) NV
www.hcme.com

Moxy Engineering AS
www.moxytrucks.no

Somero Enterprises Ltd
www.somero.com

A new face at RDS

Jamie Porter has joined RDS Technology as OEM Sales Manager. Jamie joined the company from Woodward where he was European Sales Manager.

www.rdstec.com

Construction News annual conference

Plant 2006

2 March 2006

The National Motorcycle Museum, Birmingham
Stay safe - Keep legal - Improve your business

Latest legislation updates
Practical advice and case studies

The plant industry faces a unique set of challenges. Plant 2006 provides the information, solutions and practical strategies needed to tackle the issues that impact on your business.

Tel: +44 (0)8450 568069 - Fax: +44 (0)20 7505 6001
E-mail: constructconferences@emap.com - www.plant2006.co.uk

International Construction China

new magazine for China's construction industry

A new international construction magazine has been launched for the massive Chinese market. KHL, publisher of International Construction, Construction Europe and many other construction-related titles has entered into a joint venture agreement with China's leading construction magazine, Construction Machinery, to produce the new monthly publication. The Chinese-language magazine will be the first in China to carry comprehensive international construction news from around the globe. International Construction China (ICC) will deliver best-practice information from all over the world to senior engineers in the fast-growing Chinese construction sector. Editorial information will include; world

and local news, information on new construction techniques, in-depth equipment features, health and safety news, finance and business reports, site reports, management news, rental news, and the latest from the transportation, cranes, demolition, access and general construction equipment sectors. The first issue will be published in early 2006 and will be available in both paper and digital versions.

For further information contact:
James King (UK)
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E-mail: king@khl.com - www.khl.com or
Li Hanbing (China)
Tel: (010) 64001036
E-mail: lhb@cm1981.com.cn



RDS Technology Ltd

Loadmaster now available with barcode reading capability

RDS Technology Ltd can now offer barcode reading capability with the Loadmaster 8000. The system enables operators to instantly input data into the system via a barcode gun, which can read information at distance, or can be swiped by the operator from the comfort of their cabs. Data can be stored on a data card or can be communicated using real time telemetry for precision stock control. The system has proved to be

invaluable to recycling companies and feed plants in the UK and abroad, who want instant data collection and ease of use. This system is available from all RDS distributors who can tailor a system to suit the needs of any customer.

For further information contact:
Dean Boston
Tel: +44 (0)1453 733300
E-mail: d.boston@rdstec.com
www.rdstec.com

In brief

Powerscreen website

Powerscreen International have a new website which is now "live".

www.powerscreen.com

Meeting room facilities

competitive rates

Meeting room for hire at the CEA's Caterham offices:

- ~ Maximum 14 boardroom style
 - ~ Close to Junction 6 of the M25
 - ~ Easy parking
 - ~ 15 minutes drive from Gatwick
 - ~ Close to mainline station
 - ~ Discounted rates for CEA members
- For details e-mail cea@admin.co.uk.

Patent available

An inventor has registered a patent for a machine that attaches to the forks of a telescopic handler. The machine is a 'V' shaped hopper with a hydraulically driven tapered screw in the bottom which can discharge ready mixed concrete or can mix when rotation is reversed. Swinging internal baffles prevent compaction on discharge. A second screw above the first can provide for continuous mixing and will produce mortar for discharge around the site. Details of the patent are available for a potential manufacturer.

For further information contact:

Robert Persey
Tel: +44 (0)1404 841202

In brief

Olympic update

The CEA was represented at January's Olympic Business Summit. Held under the chairmanship of the Minister responsible for London 2012, the Rt Hon Tessa Jowell MP, the day provided an overview of the Olympic Development Plan and core infrastructure requirements. It also provided an opportunity to discuss how best to maximise the economic and commercial benefits of hosting the Games in London. The CEA objective is to ensure that the promise of extra business turns into a reality for our member companies.

Useful 2012 websites:

London 2012:
www.london2012.org

London Development Agency (LDA):
www.lda.gov.uk

Department of Culture, Media and Sport:
www.culture.gov.uk

Official Journal of the European Union (OJEU) advertisements are published daily in Tenders Electronic Daily (TED):
<http://ted.publications.eu.int/official/>

Prepare for new opportunities:
www.fittosupply.org
www.businesslink4london.com

Procurement Development Programme:
www.tendertowin.com

Regional Development Agencies:
www.englandsrdas.com

Scottish Enterprise:
www.scottish-enterprise.com

Highlands and Islands Enterprise:
www.hie.co.uk

Invest Northern Ireland:
www.investni.com

Welsh Development Agency:
www.wda.co.uk

Powerscreen International

Chieftain 2100 Triple Deck screening unit

The Chieftain 2100 Triple Deck is capable of an output of up to 500 tonnes per hour (depending on mesh sizes and material types) and features a 20x5 (6m x 1.55m) triple deck screen unit for optimum efficiency in screening quarried materials. It has heavy-duty, low ground pressure crawler tracks and is both agile and manoeuvrable around the site. The design and construction provides maximum access for easy maintenance and serviceability, whilst operational efficiency and mobility make the Chieftain 2100 Triple Deck a truly versatile screening unit for large-scale applications. This new machine is designed and built for high volume



processing of aggregates, coal, crushed stone and demolition debris. A main advantage of this plant is that 1.6m has been added to the side conveyors, allowing for higher stockpiles.

For further information contact:
Nicola Killen
Tel: +44 (0)28 87 740701
nicola.killen@powerscreen.co.uk
www.powerscreen.com

Crane Safety & Management 2006

22 & 23 June 2006

Jury's Hotel, Great Russell Street, London

the fifth safety conference organised by Cranes Today and its sister magazine Hoist

Crane Safety & Management 2006 will comprise morning plenary sessions and afternoon workshops on tower, mobile (including crawler), and factory cranes.

Speakers so far confirmed include:

Ian Simpson	UK Health & Safety Executive
Bryan Cronie	Mammoet, the Netherlands
Klaus Meissner	Terex-Demag, Germany
Soren Jansen	BMS, Denmark
Jason Sutton	Airbus UK

Topics will include:

- ~ Why it makes business sense to harmonise global standards
- ~ A three-point safety plan
- ~ Colour coding system for rigging tackle
- ~ Tower crane risk management

CEA members can receive a substantial discount on the delegate price.

For further information contact: Julie Rossiter
Tel: +44 (0)20 8269 7835 - E-mail: jrossiter@wilmingtonconferences.com

CEA Members

2005-2006

Abnormal Load Services (Int'l) Ltd
ATP Industrial Transmissions Ltd
AxleTech International
Becool Radiators Ltd / Gally
Bell Equipment UK Ltd
Bergstrom (Europe) Ltd
Bobcat Company
Brendon Ltd
BSP International Foundations Ltd
Caldervale Forge Co Ltd
Caterpillar (UK) Ltd
CNH UK Ltd
Cummins Engine Co Ltd
Dana Corporation
David Brown Hydraulics
Dawson Construction Plant Ltd
Edwin Lowe Ltd
Extec Screens & Crushers Ltd
Fairport Construction Equipment Ltd
Fanning Polyform Ltd
Federal Mogul Bradford Ltd
Finlay Hydrascreeens Ltd
Gate 7 Ltd
GCM Ltd / Uniturn Engineering Co Ltd
GKD Europe Ltd
Gomaco International Ltd
H J Tinsley & Co Ltd
HammerTech Ltd
Hanix Europe Ltd
Harford Manufacturing Ltd
Henry Cooch & Son Ltd
Heskins Ltd
Hitachi Construction Machinery (Europe)
HR Int'l Crushing & Screening Ltd
Husco International Ltd
Hydrema Denmark A/S
Hymix Ltd
International Transmissions Ltd
JCB Sales Ltd
John Binns & Son (Springs) Ltd
John Deere Construction Equipment Co
KAB Seating Ltd
Kay-Dee Engineering Plastics Ltd
Knott-Avonride Ltd
Komatsu UK Ltd
Lemac Engineering

Linecross Thermoplastics Ltd
Loadwise Int'l Ltd / Hawkley Group
Manitowoc Crane Group UK Ltd (Grove)
Merlo UK Ltd
Metsec plc
Miller UK Ltd
Milsco Manufacturing Ltd
Moxy Engineering AS
Multi-Wing UK Ltd / Fral Products Ltd
Multidrive Ltd
Newage Transmissions Ltd
Norlec Engineering Ltd
Perkins Engine Co Ltd
Phoenix Engineering Co Ltd
Pioneer Pump Ltd
Powerscreen International plc
Prolec Ltd / Strainstall Group Ltd
RDS Technology Ltd
Roballo Engineering Co Ltd
Selwood Ltd
SKF (UK) Ltd
Somero Enterprises Ltd
Spillard Safety Systems Ltd
SPS Pumps Ltd
Taylor Construction Plant
Terex Compact Equipment
Terex Equipment Ltd
Terex Pegson
Thermo Electron Corp / MEI
Thompson Technik (Bridgend) Ltd
Thompson Technik (Hessle) Ltd
Thompson Technik (Ludlow) Ltd
Thompson Technik (Newcastle) Ltd
Towerlight UK Ltd / Genset plc
Trelleborg Industrial AVS
Tri-Mark Europe Ltd
Truflor Air Movement Ltd
Universal Augers Ltd
Vertronic Controls Ltd
Volex Wiring Systems
Volvo Compact Equipment
Volvo Construction Equipment (GB) Ltd
Webtec Products Ltd
West Alloy Ltd
Winget Ltd
Wylie Systems

Press and Service Affiliates

Access International / KHL Group
Construction Europe / KHL Group
Construction News / EMAP
Contract Journal / Reed
Cranes Today / Wilmington Media
Demolition & Recycling Int'l / KHL
EMAP Construct Ltd
European Rental News / KHL Group
International Construction / KHL Group
International Cranes / KHL Group

IVT
KHL Group
Machinery Outlook Europe
Off-Highway Research
Plant Managers Journal / Reed
Plant World / Sheen Publishing Ltd
RB Research
Resale Weekly
Sheen Publishing Ltd

In brief

How to join

For information on how to join the Construction Equipment Association, visit our website (www.coneq.org.uk) - in the section "about us" you will find all the information you require, including an application form. You can also e-mail us (cea@admin.co.uk) or telephone the CEA offices +44 (0)1883 334499.

The CEA Vision

"To be recognised worldwide as the leading construction equipment trade association operating in the EU; and to offer a world-class range of services to the global construction equipment industry and related sectors"

The Editor

would like to hear from CEA members. If you have any news you would like to share with other *Newsline* readers, please add me to your press release circulation list. *Newsline* is sent to all CEA member company contacts, senior personnel of selected non-member companies, all HMG Overseas Posts, UK Business Links, named DTI contacts and related trade associations. Copies are also distributed at construction equipment exhibitions in the UK and overseas.

Kim Fitzpatrick, *Newsline* Editor

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In the Lobby

ASAG & RAG explained

Construction equipment is classed as an "automotive" sector for the purposes of government liaison. Policy is co-ordinated via the Automotive Sector Advisory Group (ASAG) which is the official interface between government, industry and trade associations. The three automotive associations represented on ASAG are the SMMT, the Motorsport Industry Association (MIA) and the CEA. The CEA team is led by our President, Paul Ross (Caterpillar), with Roger Bentley (JCB), Brian Sugden (West Alloy) and Joanna Oliver (CEA secretariat). Closer co-operation with complementary trade and government bodies is a key part of our Forward Plan and ASAG has proved a useful forum for

testing the mood of industry and co-ordinating programmes. It is through our participation within ASAG that the CEA has been able to win backing for such projects as our upcoming North American distribution research project. At a regional level, the CEA is represented on the Regional Advisory Group (RAG) which brings together automotive specialists from the nine Regional Development Agencies (RDAs) and devolved "nations" within the UK. The group provides an opportunity for the CEA to impress upon the regions that construction equipment manufacturing is an important part of the British economy - and should not be ignored when drawing up both national and regional priorities.

EEF keeps up pressure on government

The EEF, with the support of the CEA, has reiterated a number of key lobby points to the government in the run up to the next Budget. They highlight concerns at recent trends in public spending - and

possible implications for the business tax burden. Government is urged to indicate their priorities for important areas of public spending prior to the next spending review, including transport infrastructure.

Conference invite to Trade Minister

The CEA has invited the Trade Minister, Ian Pearson MP, to be a keynote speaker

at our AGM Conference on 6 April 2006 in London.

CECE Summit success

The new format CECE Summit, held in Brussels, was pronounced a success by attendees. The programme was a slimmed down version of the usual annual Congress. A day was set aside for bringing together senior executives from the European construction equipment industry with EU Commission officials and spokespersons. CECE was able to engage with European Commission Vice President, Günther Verheugen, the European Commissioner for DG Enterprise and Industry - with leading industry figures providing the ideas on how the EU institutions can best help manufacturing interests in Europe. The keynote speech was from Tony Helsham, President and CEO of Volvo Construction Equipment. He underlined some of the challenges to maintain European competitiveness, "In the past we have not been vocal enough in highlighting our industry's contribution to society - in fact our equipment is often accused of being detrimental to it. But the truth is that we are literally building a better Europe.

Europe is quite possibly the most regulated region in the world boasting a statute book that runs to a mind-boggling 85,000 pages. There is the Machinery Directive, the Environment Directive, the Product Safety Directive, the Electromagnetic Directive, the Vibration Directive, the Exhaust Emissions Directive - the list goes on. Of course it's every manufacturer's responsibility to ensure that their products comply will all relevant regulations - but when the requirements of directives can conflict with one another it becomes obvious that the legislative proposals are not sufficiently co-ordinated".

Some 160 CECE members and Brussels insiders were at the Summit. The plan is to adopt the Brussels Summit format in alternate years, alternating with the longer traditional three and four day Congresses. The next full Congress will be held in Cannes, in October. Papers and market reports from the 2005 Summit are available in the "members only" section of the CECE website.



Committee for European Construction Equipment



www.cece-eu.org

New CECE President

The CEA welcomes Henri Marchetta to the Presidency of CECE. Mr Marchetta is the CEO of the Mecalac Group and was nominated to the presidency by the French manufacturers' organisation, CISMA. He succeeds Gösta Göransson of Volvo.



Henri Marchetta, incoming President of CECE

MEPs support CECE

The CEA was pleased to see Phillip Bushill-Matthews MEP and Malcolm Harbour MEP amongst the guests at the 2005 CECE Summit. The interest and support of European parliamentarians is becoming increasingly important in our efforts to broker sensible legislation in Europe.

Approved contractor list

The CEA successfully bid to be put on the UK Trade & Investment approved contractor list. This means we can now bid for any UKTI tenders - valued at up to £3 million over the next three years. Of course, this is across all industry sectors, and we can only bid for those within the Automotive Sector.

Market Trends

UK construction output: third quarter 2005

The total volume of construction output in the year to the third quarter of 2005 fell by 1% compared to the previous year. Overall new work fell over the same period, despite increases in the private housing, private industrial and private commercial sectors. Repair and maintenance was unchanged, with decreases in private housing being

matched by increases in public housing, private and public non-housing. Output in the third quarter of 2005 was unchanged compared to the second quarter of 2005 both in volume terms and in current prices. The total volume of new work in the year to the third quarter of 2005 was 2% lower compared with the previous year but rose by 2% in the third quarter

when compared with the previous quarter. The total volume of repair and maintenance work was unchanged in the year to the third quarter of 2005 compared with the previous year, but was 1% lower in the third quarter of 2005 compared to the previous quarter.

for further official figures visit www.dti.gov.uk/construction/stats



Gösta Göransson, outgoing CECE President

l-r: CECE Secretary Ralf Wezel with EU Commission Vice President Günther Verheugen

Safety in quarries

The CEA will be responding to a group called the Atlantic Alliance which is led by the UK Health & Safety Executive (HSE) and the Quarries National Joint Advisory Committee (QNJAC). It apparently includes representatives from organisations and associations in Germany, Ireland and the USA, in addition to the QNJAC, of which a number of UK quarry/mining companies are members. Its purpose is to draft and implement best-practice in the quarry industry, including machinery design, with a view to reducing accidents. The CEA is naturally supportive of the general aims but believes that these must be pursued with full consultation between manufacturer and user representatives. The Alliance has issued an open letter to some manufacturers and suppliers who provide mobile plant to the quarry industry. The letter invites recipients to comply with draft guidance developed by the QNJAC (referred to in Autumn's *Newsline*) - requirements on safety issues relating to access to mobile plant. The Alliance states that, while most plant

complies with current standards, it does not accept that these standards are in accord with the safety aspirations of the group. It is therefore recommending an urgent take-up of the guidance for new and existing machinery and that machinery that complies with the guidance will be the mobile plant of preferred choice for its members. The CEA considers that there should be a wider consultation of the proposed changes and this should involve the appropriate standards making bodies (BSI, CEN and ISO), other EU countries and the USA. Machinery design encompasses years of research, testing, etc. All changes to design must take account of the overall affect on the complete machine and its safety. Meeting the draft guidance through retrofitting will also need detailed consideration as it could affect certifications and warranties that have been issued with existing machinery. The CEA has already made these points to the QNJAC and will respond to the Atlantic Alliance in the same way.

Physical Agents (Vibration) Directive

The HSE held a meeting with certain industry associations in December to report the findings of its research on whole-body vibration (WBV) over the last two years. This research, to gather generic data from actual site operations and the involvement of user organisations, was a direct result of CEA discussions with the HSE. The HSE now needs to decide what to do with the data gathered in relation to the UK regulations that implement the Directive - and accepts that different industries use mobile plant in different ways. It appears that the HSE will support a system whereby industry sectors representing road works, quarries, mines and demolition will each provide best-practice to their members, including a list of plant and associated processes where the exposure action value (EAV) is likely to be exceeded. The HSE will provide lists of WBV data and

recommendations on seat design and maintenance, which it believes is critical to keep vibration levels at the least possible. Some user associations are also considering the adoption of colour code systems. The CEA has stressed the dangers of applying colour codes to individual machine types, as vibration levels vary depending on the site operation being performed. One very positive outcome for manufacturers is the absolute acceptance by the HSE that vibration is a product of the operation rather than of the machine. It can be reduced and controlled through good training, site practices, maintenance, etc, rather than choosing one manufacturers product over another. The exception would be where the manufacturer has failed to pay proper attention to seat selection and fitting, which would not be the case with a quality product.

PRECIS seeks to reduce engine emissions

The CEA is still trying to promote a practical approach to the PRECIS (Partnership in Reducing Emissions from Construction Industry Sites) initiative to bring forward the engine emission limits required for particulates in the European Directive from 2010 to 2006. The London Code of Practice outlining the requirements is expected to come into force in May 2006. The CEA will continue to attempt to educate those organisations behind the PRECIS initiative of the potential pitfalls, inadvisability and inappropriateness of imposing artificial engine exhaust limits four years earlier than required by the European Directive that has been negotiated by UK government.

In brief

The amendment to the **Noise of Outdoor Equipment Directive (2000/14/EC)** was agreed by the European Council of Ministers just before Christmas. Although its requirements apply from 3 January 2006, it only comes into force when it is published in the Official Journal of the EU.

The revised **Machinery Directive** is close to agreement. The results are reasonable for industry although some last minute amendments suggested by CECE appear, in the main, to have been rejected.

India

All the experts agree that the construction sector is poised to enter an era of high growth, propelled by increased focus on infrastructure development. Just recently a further road improvement plan has been announced. As a consequence, the construction equipment market is growing at 15-20% per annum and is likely to increase further in the coming years. A host of indigenous and imported options are now available. While domestic manufacturers have increased in number, many overseas manufacturers have also established manufacturing bases and sale



outlets in India. However, Indian construction companies still import a lot of high-end equipment which is not available locally in India. The focus is gradually shifting from economy to quality. Most indigenous equipment does not match global standards in terms of product range, quality or technology. The maintenance and operational cost of locally manufactured equipment also tends to be higher. Many global construction equipment majors are now testing Indian waters. Many domestic players have also tied up with foreign companies in bids to improve their technology and product range. Although the market is price sensitive, there is a market for good quality construction equipment and component products in niche areas, especially with new technology. All this was confirmed by CEA visits to Excon in Bangalore in November and to Auto Expo, Delhi, in January. Members should contact the CEA if they would like reports on these visits.

CEA press strategy for India:

- 600 words about the CEA and its members were included in the 2,000 brochures handed out from the UKTI stand at Auto Expo in January 2006.
 - The CEA's Pam Hyde met with journalists from construction equipment magazines in Delhi in January 2006.
 - The CEA will have an article in the magazine "Britain Today" sent monthly to 40,000 business leaders all over India. The aim is to have 5-6 pages in the March or April issue. The pages will include interviews with Indian business people during the recent CEA visits. Articles by members active in India, case studies of university link-ups and short profiles of companies interested in India can also be arranged.
 - The CEA plans to meet/lunch with the India business correspondents from the media who are based in London during February. These include Presstrust, the main newswire agency, and the Economic Times which has a circulation of 4.5 million.
 - The CEA is planning for a select group of Indian based construction equipment journalists to visit the UK and member factories during May or June 2006 - giving them an opportunity to write articles for the key magazines to appear in the issues immediately before Excon 2007.
 - The CEA has the facility, via UKTI, to put out press releases at any time. The releases are sent to all business media and to Presstrust. A follow-up telephone call is made if the release is important. These can also be sent to niche publications with some involvement in the industry.
 - The CEA will also be able to advise members of the magazines where it is best to place advertisements.
- Contact Pam Hyde for further information.

India Automotive WG

Keith Dolbear, MD of Trimark Europe, has agreed to serve on the India Automotive Working Group. The aims of the Group include developing and implementing a strategy to enable UK automotive, construction equipment and motorsport companies to maximise the potential for business opportunities in India. For further information on the objectives of this Working Group contact Pam Hyde.

Commercial Officers fly in for briefing

The CEA is arranging briefings for around 20 Commercial Officers from HMG Overseas Posts when they visit the UK in March. The officers will participate in an extensive programme of seminars, company and organisation visits aimed at providing an expert overview of the automotive market. Our objective is to make the Commercial Officers more aware of the strengths of UK industry, and more effective in identifying business opportunities and supporting UK companies. Amongst the markets likely to be represented are Brazil, China, Czech Republic, Germany, Gulf States, Hungary, India, Iran, Japan, Mexico, Poland, Russia, Slovakia, South Africa, South Korea, Turkey and the USA. All CEA members will have a chance to meet the delegation on 23 March. For further information contact Pam Hyde (pam@admin.co.uk).

Exhibitions

Intermat : Paris, France

24-29 April 2006
www.intermat.fr

Grants for new exporters

Good news - grants of £1,800 have just been announced by UK Trade & Investment (UKTI) for new exporters exhibiting at Intermat. A new exporter is defined as "companies currently exporting less than 10% of their product proactively or 25% reactively". Please contact the CEA urgently if you think you might be eligible for this grant. The cut off date is 24 February 2006. Experienced exporters may also be able to get a grant through their local Business Link or Regional Development Agency.

Intermat display package

The CEA British Pavilion will again be located in the prestigious site at the front of Hall 6 - directly in front of one of the entrances to the show. If your company is not exhibiting, the CEA can offer you a display package - allowing you to display literature and graphics as part of the CEA British Information Centre. Prices start from just £195 plus VAT.

Bauma China : Shanghai, China

21-24 November 2006
www.bauma-china.com

Grants available

Bauma China is Asia's largest exhibition dedicated to construction equipment. Under the new 2006/07 UKTI grant scheme rules, grants of up to £1,800 are available to British companies exhibiting in China who are either new to exporting or new to the Chinese market. The UKTI definition of New to Market is "a business not having exported to the country where the exhibition is taking place within the previous 12 months and normally having

New exporters at Intermat

If you are a new exporter and have not already booked a stand at Intermat, why not dip a toe in the water and exhibit as part of the CEA New Exporters Group - and benefit from a government grant. The CEA is offering New Exporter packages based on the British Pavilion for only £975.

The package includes:

- ~ One 2m x 0.95m area graphics display panel
- ~ Meeting table and two chairs
- ~ Use of the CEA exhibitors' lounge
- ~ Entry in the British Group brochure
- ~ Telephone and internet access
- ~ Two exhibitors passes
- ~ Light refreshments
- ~ Invitation to the British Group networking reception

For further details contact Joanna Oliver (joanna@asnorth.co.uk).

no established representation there". If you are unsure of your eligibility please contact either Joanna Oliver (joanna@asnorth.co.uk) or Shere Kettlewell (shere@asnorth.co.uk) for confirmation.

British Pavilion

The CEA has again reserved a 180 sqm British Pavilion at Bauma China with fully fitted turnkey stands. To reserve your space contact the CEA NOW!

Excon : Bangalore, India

30 November-04 December 2005
www.excon.in

Recognising the extraordinary growth of the Indian market for construction equipment and the potential for British manufacturers in the sector, UK Trade & Investment (UKTI) funded a scoping visit for the CEA to attend the Excon exhibition. Excon is organised by the Confederation of Indian Industry (CII) - similar to the CBI in the UK. It is sponsored by the Indian Earthmoving and Construction Equipment Association Ltd. Excon is Asia's second largest exhibition for construction equipment after Bauma China. The exhibition is held in the Palace Grounds in Bangalore (not quite as glamorous as they sound!). The show had been held every three years - but is to move to a biennial cycle from this year.

Excon 2005 saw:

- ~ 170 exhibitors (120)
- ~ 14,000 visitors (8,000)
- ~ 30,000 sqm of exhibit space (14,000)
(2002 figures in brackets)

Four conferences were held concurrently with the exhibition:

- ~ CEO summit on growth in the Indian construction equipment sector
- ~ Outsourcing of components to India
- ~ Rental, leasing and finance
- ~ Technology and R&D

The exhibition was well organised and well attended, with all the leading global names present. JCB announced the construction of a new \$50 million plant in

Pune to produce excavators for the Indian market. A few British companies exhibited at the show and UK crushing and screening manufacturers were out in force. The Spanish, USA, Japanese and Italian trade associations had information booths at the show, while a few German companies exhibited individually. Domestic manufacturers were very well represented. The next Excon exhibition will be held in Bangalore in November 2007. The CEA is proposing to take a trade mission of UK companies, subject to the necessary UKTI or European funding being available, and give assistance to companies wishing to exhibit. UKTI grants of up to £1,800 should be available for companies new to the Indian market.

2006 China trade mission

Following the success of the China trade missions in 2004 and 2005, the CEA is proposing to run a further mission in 2006 - once again working with China specialists, Off-Highway Research. However, as all government grant aid for exhibitions will cease from April 2006, missioners will have to be self funded. Please register your interest NOW via joanna@asnorth.co.uk.

Exhibitions diary

View our comprehensive exhibitions diary on www.coneq.org.uk. Details of exhibitions connected with construction equipment, cranes, mining and quarrying, road-building, demolition and recycling are listed, with hyperlinks to exhibition organisers. If you know of any shows which are not listed please e-mail details to kim@admin.co.uk.

USA distributor research

The CEA has received UKTI funding to research US distributors. A report will be published and launched at the CEA's 2006 AGM Conference in April. If your company is looking for a distributor in the USA, or you have any experiences - good or bad - of working with US distributors, please e-mail joanna@asnorth.co.uk.



In trade associations we trust it's official

The CEA is a member of the Trade Association Forum, an organisation formed to foster best practice amongst the trade association community. The Forum is administered via the CBI and has good links with government. What caught my eye was their latest e-mail advertising their upcoming annual conference. At the conference they will be presenting research which indicates that trade associations are rated the most credible source of external advice for business, behind internal sources of help but ahead of senior business figures, Business Links, the DTI and online networks. Local business associations, universities and RDAs are seen as less credible sources of information on

innovation, although it might be noted that this is not the prime role of universities and RDAs. This research underlines that the CEA is on the right track in our programme to extend our signposting efforts for members who need advice and support on company strategy, R&D, intellectual property, sourcing and market access. These services are in addition to the network we have developed over the last few years through our *Manufacturing Excellence* activities. So watch for the development this year of our new *Excellence Network* programme - we hope it will turn out to be another trusted initiative from the CEA.

Rob Oliver CEA Chief Executive



Have you seen the CEA's website recently?

www.coneq.org.uk

it's well worth a visit

The Construction Equipment Association

Welcome to the CEA Web Site
Dig in...

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The Construction Equipment Association

The CEA is the Trade Association that represents the UK Construction Equipment sector. Our members are established Original Equipment Manufacturers (OEMs), component and accessory suppliers, the trade press and specialist research companies. Company size varies from major multinationals to micro businesses.

The CEA Vision

To be recognised worldwide as the leading construction equipment trade association operating in the EU; and to offer a world-class range of services to the global construction equipment industry and related sectors.

The Construction Equipment Association
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