



"Aerial Angle" allows operator to check the bird's-eye view image centered on the machine on the monitor in the cab. It improves driving safety and contributes to reducing contact accidents.

optimizes hydraulic fluid distribution in arms, booms, and slew ring platform as needed, helping large excavators save fuel while operating at peak efficiency.

"It uses three pumps and three actuators to deliver incredible power while using less energy," says Orlowski. "I watched it grab a stump in the bucket teeth and tug it without any trouble at all. Customers call it a 'beast' and a 'monster' when they see it in action."

The firm has also released an evolved version of the ConSite service solution, dubbed ConSite Oil. Almost all construction machinery, not just excavators, is equipped with hydraulic pumps, and the condition of the hydraulic oil directly affects machine performance. Prolonged use of degraded oil can lead to breakdowns and other machine trouble.

ConSite Oil uses artificial intelligence to constantly monitor oil condition with sensors. If oil deterioration or other



Babliton Cardoso
Sr. Director, Mining Equipment

abnormalities are detected, the data is shared with the machine owner, the dealer, and Hitachi Construction Machinery itself, helping prevent major issues and increasing availability to reduce life-cycle cost.

■ Safer than Ever with "Aerial Angle"

To further heighten on-site safety, all machines now come equipped with the Aerial Angle function as standard equipment. The operator can see what the area around the construction equipment looks like as if viewed from above, directly from the operator's seat (photo).

Usually the operator's seat is on the left side of the excavator, with the arm on the right. As a result, the arm blocks the operator's view of the right side of the machine, which can result in injury to someone approaching in the blind spot. Many cars now offer the same sort of aerial view to heighten safety when backing up or parking, offering a view of the entire periphery. Aerial Angle applies the same technology in construction machinery.

■ Focusing on Mining Machinery in Latin America

Not only North America, the Hitachi Construction Machinery Americas business also includes Latin America. While the major markets in North America are construction projects and civil engineering, on-site mining machinery, including mine development, accounts for the majority in Latin America.

"In Latin America we have dealers in Brazil, Chile, Peru, Columbia, Suriname, and Mexico, plus one in the Dominican Republic, and another one in the Caribbean. Our goal for the time being is to

boost our name recognition in those nations," explains Babliton Cardoso, Senior Director of Mining Equipment Sales. Brazil-born Cardoso, who joined Hitachi Construction Machinery Americas in January 2022, has an extensive career in the mining and construction machinery industry including the European market and managing South American subsidiaries.

"In mining machinery it is crucial to maintain close relations with the customer. Dealers also have to offer a strong sales and service system, and we work with them to suggest new solutions to customers," continues Cardoso. Mining machinery is not only huge, it has to be able to operate for long periods of time under severe conditions. Mines in Latin America are often located far from urban areas, making it difficult to secure workers, and in most cases mining machinery



The company is strengthening sales and services of mining products such as ultra-large hydraulic excavators and dump trucks for Latin America.

runs on a 24/7 schedule, 365 days a year.

"A single piece of mining machinery is expected to run 6,000 – 8,000 hours a year (250 – 330 24-hour days), for ten years," Cardoso explains. "On average there are six to eight rigid trucks to one mining excavator in a mine site, which means we have a chance to sell them as well. Today's industry demands a whole range of systems and technologies to keep machinery working non-stop, so we have to work as a team with dealers to earn and keep customer trust."

In recognition of the situation, Hitachi Construction Machinery will soon offer autonomous dump trucks to the Latin American mining industry, capable of driving themselves without human operators. "Safety is at the heart of all our technology," says Cardoso. "Our mine operation management system helps prevent trucks from colliding with each other, while Aerial Angle and other onboard functions provide dump trucks with peripheral vision, just like our excavators. There are also functions to sense danger in the immediate vicinity when parking, and to brake to prevent collisions when traveling. Advanced stability control minimizes body slip, delivering stable performance even on South American mining roads in winter snow. These technologies are invaluable in selling our products to the mining industry."

The sales strategy in the region is going to be built around excavators for mining. The high-performance, robust oil pump technology is crucial for giant excavators in the mining field.

Cardoso has confidence in Hitachi Construction Machinery: "We're very strong in the field, because we can offer both excavators and dump trucks, backed up by the Hitachi Construction Machinery brand name and proven reliability. We're further improving our rep in the mining markets we serve now, and are developing dealers in surrounding nations to offer mining machinery as well as unmatched dealer support. That's basically the Hitachi Construction Machinery strategy for Latin America."

Stronger Partnerships for Wider Sales Network, Expansion in Parts and Rentals

This is the biggest challenge we face in setting up an independent operation for the Americas," says CEO Quinn of the effort to get the parts business up and running well. Moving heavy loads of sand and concrete at construction sites, or rocks and ore at mines, causes severe wear on excavator undercarriages and bucket parts such as teeth.

■ Boosting Parts Supply

There is considerable activity in parts such as these because they are consumables. Hitachi Construction Machinery data for the term ended March 2022 shows parts sales for construction machinery accounted for 10% of consolidated sales, and parts sales for mining machinery another 10%: parts make a major contribution to corporate performance, representing 20% of annual sales.

Until now, though, Hitachi Construction Machinery Americas relied on Deere to handle parts supply, and as a result never built its own parts supply system in the Americas. "We supplied authentic Hitachi Construction Machinery parts to Deere, but only in limited quantities. We had to build our own system from pretty close to scratch, and like Quinn says, it's our biggest challenge," explains Hiroyoshi 'Dai' Tanaka, Vice President, Customer Care at Hitachi Construction Machinery Americas.

Hitachi Construction Machinery Americas opened its parts distribution center in Jackson, Georgia, completing construction in only a little more than five months, between the August 2021



Simon Wilson
Vice President Sales



Hiroyoshi (Dai) Tanaka
Vice President, Customer Care

and the official launch of independent operation on March 1, 2022.

"The term 'fill rate' refers to how much product we need to keep on hand to ensure we can fulfill a customer order," says Tanaka. "We began supplying parts ourselves in March 2022, and while there are still a few problems, the fill rates are finally reaching reasonable levels."

He's confident the firm can significantly improve customer support once they get a better understanding of the local situation: "Our on-site tech support is very, very good, because we're the company that designed and manufactured these machines. Our goal now is to thoroughly grasp the needs of each customer, and build a system to supply them with the parts



"ConSite" can grasp the condition of equipment and enables advanced maintenance.

they need as soon as possible. There's no doubt in my mind that we can supply parts even more efficiently than we do now to customers throughout the Americas, so they can keep their machines running. And I plan to prove it."

In December 2016, Hitachi Construction Machinery of Japan acquired two firms overseas: H-E Parts International, LLC in the US, and Bradken Pty Ltd in Australia. Both have considerable experience supply parts for mining machinery in the Americas, and the Japanese firm is leveraging their expertise in parts sales and supply to develop new markets.

Hitachi Construction Machinery also plans to implement a telematic service solution similar to ConSite for its parts business. "We're planning on building on the technology used now in our ConSite Mine solution that tracks structural fatigue in parts not on regular replacement schedules," says Tanaka. In the past it was never possible to accurately set replacement schedules for parts like these, which rarely break but are expensive to replace. Because shipping takes time, an unexpected breakdown meant that machinery would be out of service for too long.

"If we can provide a more accurate replacement schedule, we can arrange to have parts sent from the parts center in Japan, and deliver them just when they are needed. Many of our dealers are very interested in the idea. Their willingness to try it out is one of the reasons behind the American success story, I think," he adds.

Tanaka is determined to build the parts business Hitachi Construction Machinery Americas will need to remain a leader in the sector.

■ Launching Rentals in Latin America

Another business sector that Hitachi Construction Machinery Americas hopes to grow into a major pillar of corporate revenue in the Americas is rentals. The construction machinery rental business is very active in North America, and manufacturers are selling hard to rental firms in anticipation of surging demand driven by the trillion-dollar Infrastructure Investment and Jobs Act. "This is an enormous business opportunity in North America," says Vice President Sales, Simon Wilson.

"In the US, demand for construction machinery in infrastructure projects, and renewable energy generation plants is expected to remain strong for several years to come. We are exploring demand in Latin America, too. The economies of many of the nations in that region are growing. That means demand growth not only in the mining industry, but in construction machinery as well, and potentially rentals should account for a big chunk of that business," continues Wilson.

"We have ideas to participate in rentals in a number of Latin American nations but our main focus is North America," revealed Jason Mizen, National Rental Accounts Manager of



Jason Mizen
National Rental Accounts Manager

the company. "The rental segment will continue to grow and we expect it will be 30% of our construction machinery business," he added.

Hitachi Construction Machinery Americas already has experience in delivering construction machines to rental operators, as it's been supplying wheel loaders directly since 2017. Wilson is confident: "We've accumulated quite a bit of expertise in the rental business in North America, and we plan to apply that in Latin America to make a significant contribution to Hitachi Construction Machinery Americas. By getting in on the ground floor we can offer the market new products and ideas, and drive major market growth."

Different nations use different sizes of machinery, but Hitachi Construction Machinery Americas is already getting requests from local dealers to handle their products, and plans to enter into concrete negotiations in the near future.



The Jackson parts distribution center in Georgia, which began operations in March 2022. It handles over 70,000 types of parts and stores parts for supply throughout the Americas.

Hitachi Construction Machinery's operation in the American continents entered a period of massive transformation with the termination of the agreement with Deere, as did Hitachi Construction Machinery Americas, which took lead in implementing the change. Hitachi Construction Machinery Americas had only 40 employees in August 2021, but has rapidly hired 100 more locally, and welcomed an additional 40 from the parent firm in Japan, boosting its current total to 180.

The Group's corporate values are one of the elements helping to bring them all together -- what Hitachi Construction Machinery calls the "Kenkijin Spirit".

The Kenkijin Spirit is based on three key ideas, all starting with the letter C: Challenge, Customer, and Communication.

For the global Hitachi Construction Machinery Group, this Spirit helps define its sense of value and code of conduct. It also serves as a guideline for business growth in the Americas.

■ Uniting Diverse Employees

CEO Quinn of Hitachi Construction Machinery Americas describes the Kenkijin Spirit as "a set of customs that invites personal opinions to help get things done even better, in a company culture that is extremely open and transparent. Everybody expresses themselves, and nobody attacks anyone for a different opinion. Once something is decided, everyone helps get it accomplished. This isn't a dictatorship or top-down management, it's all the employees contributing to improve products and processes." Quinn is confident that this is one of the major reasons Hitachi Construction Machinery Americas is able to utilize its diverse workforce so effectively.

Vice President Wilson explains that one of the ways this is implemented is to talk things over with employees and customers, to make organizational changes if needed, and to find ways to provide even better service. "For example, we listen to what our customers have to say, but we also listen to what people who decided

not to buy our products have to say. If there's something we didn't or couldn't do, we want to know about it, and make it better. It gives us a chance to grow as a company."

Babliton Cardoso, Senior Director of Mining Equipment Sales, says his personal interpretation of the Kenkijin Spirit might be a little different: "I feel that it helps everyone share common objectives with the company, and understand the company's goals and the methods used to achieve them. They provide the tools and rights needed for the company and each individual employee to grow."

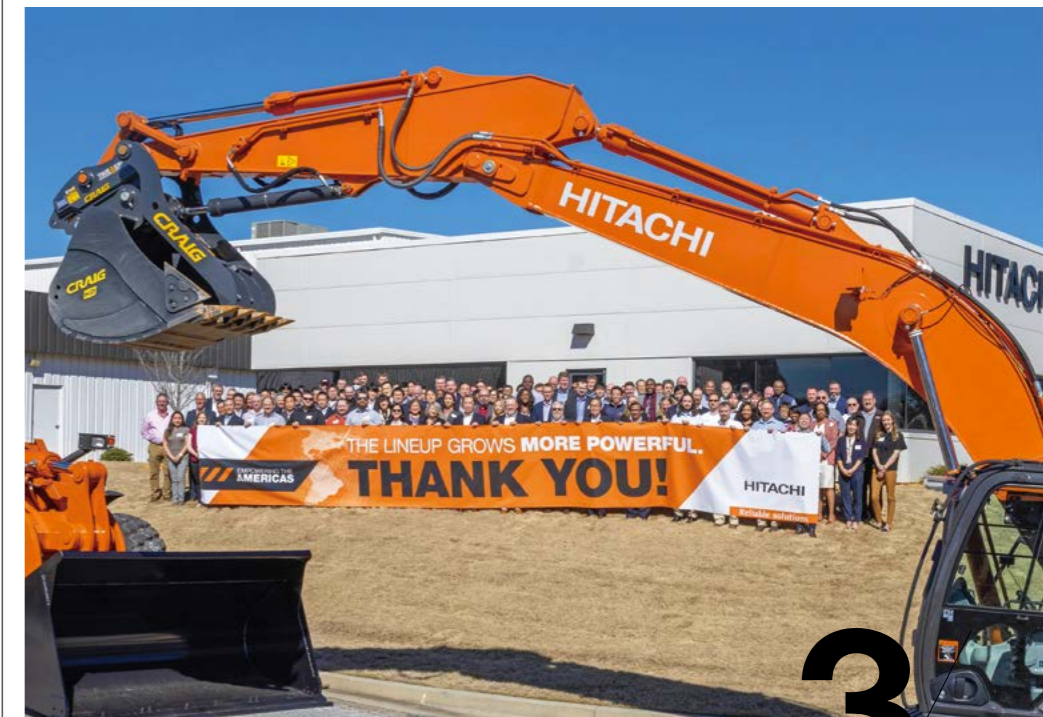
Jason Mizen, National Rental Accounts Manager says: "To find out what each dealers and customers expect from us."

Listening to customers to discover how to increase their benefits, actively



CEO Quinn says that at Hitachi Construction Machinery Americas, where diverse human resources are gathered, the Kenkijin spirit will serve as a guiding principle to bring the team together.

exchanging ideas and opinions in-house, and then finding ways to make the necessary improvements -- as Hitachi Construction Machinery Americas rises to meet new challenges, the Kenkijin Spirit spells out a code of conduct to serve as a guiding light.



Nurturing "Kenkijin Spirit" through New Challenges in the Americas

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kenkijin spirit
in Americas