



ASSOCIATION OF
EQUIPMENT MANUFACTURERS

FOR IMMEDIATE RELEASE
October 28, 2009

CONTACT: [Nick Yaksich](#), AEM, 202.491.4272
[Christian Klein](#), AED, 703.599.0164

DOZERS DESCEND ON CAPITOL HILL

*Idled by Recession, Bulldozers Caravan to Washington Urging Congress
to Act Now on a Highway Bill*

WASHINGTON – A large caravan of bulldozers and other construction equipment displaying huge banners paraded through the streets of Washington today to send a message to lawmakers that they must act now to stop the job bleeding in the construction equipment industry. *Start Us Up USA!* campaign organizers, joined by House Transportation & Infrastructure Committee Chairman Jim Oberstar (D-MN) and other allies, also staged a rally on the National Mall against a backdrop of idle construction equipment and a sea of orange flags to emphasize the 550,000 jobs lost in this industry and encourage the federal government not to delay enactment of multi-year highway legislation.

“Across the country, time is running out for the men and women of this industry as job losses continue to mount and prevent a broader economic recovery,” said Toby Mack, president and CEO of the Associated Equipment Distributors (AED). “New transportation funding is a critical component to spurring a recovery of the construction equipment industry nationwide and improving our nation’s infrastructure,” added Dennis Slater, president of the Association of Equipment Manufacturers (AEM), who along with AED, is co-sponsoring the *Start Us UP USA!* campaign.

While recession abates for some sectors of the U.S. economy, the construction equipment industry remains stalled in a deep depression, according to Mack and Slater. In fact, eight percent of all jobs lost during the recession – or two out of every 25 – can be traced to this ailing industry, according to an economic report released just last month by IHS Global Insight. AEM and AED largely blame the downturn in their sector, in part, on the uncertainty surrounding the future of the highway program and a scarcity of new federal investment in needed transportation improvements that would benefit the public and strengthen our nation’s competitiveness.

The current law – SAFETEA-LU – that funds the majority of our nation’s transportation investments is just days from expiring on October 31, and Congress and the administration have yet to move on a new multi-year reauthorization bill. Leaders in the *Start Us Up USA!* campaign are calling for enactment of a new transportation bill before the spring construction season begins in early 2010. “It’s time for government leaders to act now on smart solutions, not apply a temporary band-aid,” noted Slater. Chairman Oberstar spoke at today’s rally and urged his congressional colleagues to take immediate action on the highway bill rather than seek lengthy delays that would have severe consequences for our nation’s already congested and failing transportation network. Ray Pourpore, who leads the National Construction Alliance, an affiliation of labor unions, and Bill Cox, president of Corman Construction in Maryland representing the Transportation Construction Coalition, also lent their support during today’s rally.

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The recent IHS Global Insight report revealed that the current recession has placed a severe drag on the construction equipment industry nationwide, which is consequently holding back the broader economy from recovery. Other key findings include:

- The construction equipment industry – which includes manufacturing, distribution and equipment service facilities – has shed 37 percent of its workforce. By comparison, auto manufacturing and dealership jobs are down by 16 percent, while job losses in the finance and insurance industry amount to 6 percent of their workforce.
- Spending on construction equipment has fallen by more than 50 percent compared to its peak in 2006.
- The economic output of this industry has contracted by nearly 40 percent and resulted in the loss of approximately 550,000 jobs. That’s eight percent of all jobs lost since the start of the recession.

IHS Global Insight also analyzed the impact of the construction equipment depression on individual states. From “peak-to-trough” – roughly 2006 to 2009 – the states suffering the greatest losses are California, North Dakota, Texas and Wyoming, as seen below.

Construction Equipment Industry Peak-to-Trough Employment Loss: Top 10 States				Construction Equipment Industry Peak-to-Trough Output Loss: Top 10 States			
Total Employment Loss		Percentage Loss		Total Output Loss (\$ billion)		Percentage Loss	
California	53,368	Wyoming	1.17%	Texas	\$11.37	North Dakota	3.77%
Texas	53,020	West Virginia	1.01%	California	\$9.23	Iowa	2.62%
Florida	33,063	North Dakota	0.86%	Illinois	\$9.22	West Virginia	2.08%
Illinois	32,974	Iowa	0.69%	Pennsylvania	\$5.16	Wyoming	1.80%
Pennsylvania	25,816	Kentucky	0.64%	Florida	\$4.64	South Dakota	1.79%
Ohio	24,632	Montana	0.64%	Ohio	\$4.54	Wisconsin	1.63%
New York	23,783	South Dakota	0.60%	New York	\$4.49	Illinois	1.56%
North Carolina	19,804	Louisiana	0.59%	North Carolina	\$3.84	Oklahoma	1.53%
Georgia	17,497	Alabama	0.57%	Wisconsin	\$3.67	Kentucky	1.41%
Virginia	16,701	Kansas	0.56%	Iowa	\$3.17	Kansas	1.40%

Monty Boyd, president and CEO of Wayne Supply Company in Louisville, Kentucky, is among those who came to Washington today to participate in the rally. Boyd runs one of the nation’s oldest and largest Caterpillar dealerships, and he knows all too well the dire situation the industry is facing right now. “In this economy, each day is a challenge to keep our workers employed,” said Boyd. “Passing this highway bill will make a huge difference for our roads and infrastructure, and it’s the best way to put people back to work.”

Today’s rally in Washington marks the third in a series of *Start Us Up USA!* grassroots campaign stops, with previous events taking place in Las Vegas, Nevada and Chicago, Illinois. More information on *Start Us Up USA!*, including detailed state-by-state economic data, photos and video of previous campaign events, and testimonials from some of those most affected by this industry depression, can be found at www.StartUsUpUSA.com.

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The Association of Equipment Manufacturers (www.aem.org) is the North American-based international trade association for the off-road equipment manufacturing industry serving the construction, agriculture, forestry, mining and utility markets. AEM is headquartered in Milwaukee, Wisconsin, with offices in Washington, D.C., Ottawa, Beijing and a European presence in Brussels. It represents more than 800 companies.

Associated Equipment Distributors (www.aednet.org) is an international trade association representing companies involved in the distribution, rental and support of equipment used in construction, mining, forestry, power generation, agriculture and industrial applications.