



Construction Machinery Industrial, LLC  
5400 Homer Drive  
Anchorage, AK 99518  
907-563-3822  
1-800-478-3822  
907-563-1381 Fax

To Whom It May Concern:

RE: HB067

As equipment dealers, we often are finding ourselves selling machines which spend most of their life off the road system.

As this occurs, we plan for our required service calls as stated by any agreement with our customers or an extended warranty program.

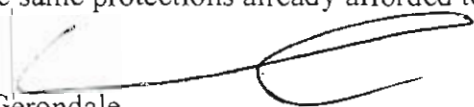
However, we have seen over the years an increasing number of "updates", "upgrades", "improvements", "Service bulletins", and warranty claims due to T4i issues, etc. which have been sent to us for these products.

Typically manufacturers have a cookie cutter approach (campaign) for reimbursing dealers which is used nationwide. Allowing \$X amount of hours for the repair, and \$X dollars for travel. Travelling to the remote locations in Alaska, and completing repairs without a shop or the modern conveniences of a service industry, significantly increases all Alaskan equipment dealer's costs when fixing these items. Additionally, these items requiring repairs, are not a result of our commercial, business, or other capabilities, they are directly from the manufacturers.

We encounter higher shipping and logistics costs, room and board options, and weather delays, all of which increase our costs and expenditures in performing these "updates", "upgrades", "improvements", "service Bulletins", and warranties, to our manufacturer's deficient or defective products. These costs are now passed on to our customers, or absorbed by our own organizations.

So as you could see, the \$300 dollars to complete travel allowed from a manufacture, and the 4 hours of labor and travel time, allowed for a project, can quickly turn into \$800 in a RT plane ticket and 8 hours of work repairs at \$115.00 per hour, performed at -40 below in Barrow, not including travel time for the technician.

This bill would not affect existing dealer manufacture contracts, but would ensure in the future that any more contracts would carry greater protections for our unique situations. This bill give equipment dealers the same protections already afforded to ATV and boat dealers under Alaskan law.

  
Chad D. Gerondale  
Construction Machinery Industrial, LLC  
5400 Homer Drive  
Anchorage, Alaska 99518  
907-563-3822