Deb Juehring-Thomson, Deere & Company, 2019 Chair presiding

Participants
Melissa Cline          Caterpillar
Joan M. Schollmeier    Caterpillar
Ellen Nunes            CNH
Lais Bronzatto         CNH
Lucas Sanchez          Deere & Company
Deb Juehring-Thomson   Deere & Company
Juan Bendana           Doosan Bobcat
Seungjoo Rhee          Doosan Bobcat Asia/LA
Joao Luis Oliveira     Kobelco
Claudemir Beneli       Volvo Brazil*
Mauro Gil              Volvo Brazil

AEM/HAI Staff
Arnold Huerta          AEM
Rex Sprietsma          AEM
Nicole Kennedy         HAI*
Chuck Wesenberg        HAI*

Guests
Brian Weinert          Deere & Company
Adrian Rantilla        Deere & Company
Leticia Corieia        Deere & Company

Members Absent
Carlos Mori            Komatsu Brasil
Guilherme Borghi       LBX
Shotaro Aoe            LBX
Cassiano Cavalcniuk    LBX
Francisco Hebert       Liugong Latin America

*Participated via WebEx/Conference call

Quorum: Quorum not met (only six of the required seven companies were present).

1. Call to order and Introductions:
Deb Juehring-Thomson, Chair of the CE LA STF, called the meeting to order at 9:27am Brasilia time and reviewed the items on the agenda, adding one additional item: VII.C. 4 Wheel Drive Competitive Class Update.

Due to the lack of a quorum and difficulty of getting seven of nine members to attend meetings, Deere proposed the quorum be changed from three quarters to a simple majority. Lacking a quorum, a roll call vote was taken of those present. All companies present, voting in favor were: Case, Caterpillar, Deere & Company, Doosan Bobcat Asia/LA, Kobelco, and Volvo Brazil. Ballots to vote on the quorum change are to be sent via email to those companies not in attendance (Komatsu, LBX, and Liugong).

**Action #1: AEM to create and send ballot regarding vote to change the LA CE STF quorum requirement to Komatsu, LBX, and Liugong (the three companies not in attendance).**

Members and guests present themselves by providing a brief history of their career, basic responsibility, and time with their company.

2. **Anti-Trust Policy:**
Arnold Huerta briefly reviewed the Anti-Trust Policy, which was included with the meeting material and is available on the AEM Website at: [http://www.AEM.org](http://www.AEM.org)

3. **Approval of November 30, 2018 Meeting Minutes:**
Due to lack of a quorum, the Minutes of the last meeting were not approved. This set of Minutes and those of the two previous meetings will be approved at next official LA CE Stats Meeting with quorum.

4. **Review of Product Specialists:**
Product specialists serve as subject-matter experts and may use others within their respective organizations to assist them in completing their assigned responsibilities. The Chair reviewed the Product Specialist Responsibilities, referencing the page in the AEM Statistics Policy & Procedure Manual, and reviewed the seven steps. The role for Product Specialists will be to serve as subject matter experts for questions that arise in these markets.

In reviewing the assigned Product Specialists list for this committee, Motor Graders, Wheeled Excavators, and Rigid Frame Haulers. AEM will follow up with the representative of JCB about assuming the role of Product Specialist for tele-handlers.

**Action #2: AEM to change the Product Specialist list and update the AEM/HAI websites to include Latin America product assignments and reflect Melissa Cline as the Product Specialist for all products assigned to Caterpillar and all other changes.**

**Action #3: AEM to contact Esteban Gonzalez (JCB) about assuming the Tele-handler Product Specialist position.**

The CE LA Regional Retail Statistics Programs do not have separate model charts. All four charts (Brazil, Mexico, Latin America and Latin America (ER)) reflect reporters from WW Programs. Products specialists will not be responsible for reviewing model charts for any disclosure at this time. This task will be handled by HAI and reviewed with the Chair. A special task group was formed, consisting of all current LA CE STF Product Specialists, to assist in this review process to assess the impact of having separate model charts and develop a
recommendation to maintain current WW charts across programs or update specific to Latin America reporters.

**Action #4: HAI, the Chair and newly formed task group will review the LA CE model charts before being updated in iSTAT.**

There was discussion about the need for a revised LA CE STF survey before a fall sign-off can be done. There may be a simpler process that limits questions to only those relevant to Latin America (i.e. a sub-set of all questions included in the North America survey). This topic was tabled for further discussion and action items at a later date.

5. Unfinished Business:
   **A. Data Integrity**
   Arnold Huerta explained the data integrity issues and steps underway to improve each, with the discussion of the task force assigned to review the Latin America CE data issues dealing with timeliness, education, and audits.

   A data flow chart was displayed which highlighted the importance of establishing good relationships with distributors and dealers for all equipment being reported. Key points addressed included the following:
   - Close ties make it easier to identify weaknesses and any necessary training needed.
   - Participating company representatives should find out who the regional manager is within their respective company.
   - Ensure goals regarding data collection and internal usage is in alignment with those that interface with the dealers and distributors.
   - AEM offers help, but respects relationship between manufacturers and their distribution channels, which is solely managed by the members.

   There was discussion regarding primary challenges to collecting good data. The number and volume of recent revisions has been a concern. The goal to get to level where all participating members can rely on the monthly data resolved. The following Actions will be undertaken as steps toward resolution:

   **Action #5: Members to develop internal process to share the data with those higher up within respective organizations.**

   **Action #6: HAI to investigate the cost of putting into a dashboard the % of R12 (12 month revisions).**

   **Action #7: HAI to create a tool to help AEM staff identity LA CE companies that may need assistance due to the volume of revisions they are submitting.**

   **B. Update to report state-level retails in Mexico and other regions**
   Volvo announced they have managed to address the changes required for reporting retails in the Latin America countries, which were accepted by their Board and are now in queue for the necessary internal system adjustments to be implemented.
The Latin America Volvo representatives are working with their headquarters to address issues and timing for initial reporting. Volvo believes they will be ready to report in January 2020 to report in other countries and will have better information in June.

**Action #8:** Arnold to follow up with Claudemir in July for an update on when Volvo will be able to report retails in Mexico and the other countries in Latin America, following internal meetings of Volvo in June.

**C. Policy & Procedure Manual (P&P) Review for Latin America**

The Chair and Vice-Chair presented several different items for review and discussion. Since any changes to the AEM P&P require the approval of the AEM Statistics Executive Committee, the recommended changes will be brought up at the SEC meeting on April 25th for their review and approval. The following action items regarding the P&P were recommended by the LA CE STF:

**Action Item #9:** AEM staff should go through P&P with New Reporters in addition to the review with new company participants during the AEM Orientation.

**Action Item #10:** Recommended changes to the P&P for SEC consideration/approval:

- Add CE as acronym for Construction Equipment;
- Add LA CE Statistics Committee to P&P Appendix (to include quorum requirement)
- Consider verbiage to recognize AEM Regional Programs and reference Appendix L for Latin America Regional Statistics Program.
- Removal of “or” after #2 under Revisions in P&P
- Recommend SEC add verbiage “HAI codes in iSTAT use ISO codes for Latin America states within countries and has created a code when none is provided.”
- Recommend adding Hinge Pin Height and Competitive Class definitions
- Add (OCR) after the spelled out name in the definitions
- Change “Weight” to “Operating Weight”?
- Add LA AG sub-committee and LA CE Statistics Task Force
- Add to Appendix C (take LA distribution rules from Appendix L (and then remove from Appendix L)
- Add Mandatory reporting requirement refers to chart and not the geographic region.

**D. Educational Topic on the Audit Process:**

HAI explained the audit process via a PowerPoint presentation. The intent of audits is to allow for improvement in the quality of the information reported (particularly the historical data) by allowing participants with an opportunity to question outliers in the data or unusual geographic activity, that may have been the result of an error or miscoding. Members are expected to check their data and make any necessary revisions within the next data cycle.

**6. New Proposals:**

There were no new proposal presented.

**7. New Business**
A. Industry Size Class Alignment
Due to the many changes that occur in programs around the world, it is important to continually check to ensure the size classes in the Latin America model charts for the various product programs remain in alignment with all NA and WW charts.

B. Recruitment:
AEM staff provided an update on recruitment efforts, noting the following recent activity:

- Still working on Yanmar, where the new president in Latin America is waiting for some direction from Japan on their interest in reporting into the LA Regional Program.
- Sany expressed an interest in joining, but no action from their part. Appointment set up for this week was canceled.
- Doosan-Bobcat is now reporting Crawler Excavators, Loader Backhoes, and Skid-Steer Loaders into the Expandable Region and Brazil (6 countries).
- Kukova and Hydromek – AEM will follow up with these Turkish companies which may be at Bauma.
- XCMG signed up, paid their dues, but never reported.

C. HAI staff provided an update on the progress toward implementation of the Competitive Class metric for the 4WD Wheel Loaders. HAI is getting models and charts in place, while 106 models still need codes (multiple companies). Implementation in Latin America will be in 2020 since Full Turn Tipping Load (FTTL) is not currently being reported in Latin America, only the Horsepower.

8. Next meeting:
Date of next CE LA STF meeting will be August 22, 2019, hosted by Volvo at their facility in Curitiba, Brazil.

**ACTION item:** AEM to confirm with each company their attendance at the next meeting 30 days prior to meeting. If there is a lack of quorum, this will be communicated to allow for an adjusted timeframe.

**Action:** AEM will circulate all three sets of LA CE STF Meeting Minutes for review, so they can all be approved at the next meeting.

**ACTION Item:** Inform the Product Specialist that they are required to attend the meetings.

9. Adjournment
There being no further business, the meeting was adjourned at 3:00pm Brasilia time.

Respectfully submitted by AEM Staff.