

INTERCONTINENTAL STATISTICS COMMITTEE

INTERCONTINENTAL CONSTRUCTION EQUIPMENT

STATISTICS PROGRAMS

GENERAL POLICY/PROCEDURE MANUAL

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INTRODUCTION

The purpose of this manual is to state the general policies and procedures governing the statistics programs administered by the Intercontinental Statistics Committee (ISC).

The overall agreement on statistics exchanges, the Intercontinental Statistical Agreement, was approved by the founding associations on 25 March 1999 in Las Vegas (as posted on the ISC member associations' Website). While some product programs may elect to have procedures specific to those programs, each of these specific product sections must comply with the written policies and procedures contained in this manual and the spirit in which they are written.

This manual will be updated on the agreement of all associations who are party to the Intercontinental Statistical Agreement. Revised manuals will be issued by the Intercontinental Secretariat to supersede previously published versions (although minutes of the relevant Intercontinental Statistical Committee meeting will prevail in the interim).

REPRESENTATION ON THE INTERCONTINENTAL STATISTICS COMMITTEE

The Secretariat of any given worldwide construction/industrial equipment statistics program will represent the participating companies of the program at the Intercontinental Statistics Committee meetings, other than those represented by existing Intercontinental Statistics Committee member associations.

Any new association participating for at least one year in an active program, and represented through an existing participating association, may petition to become a member of the Intercontinental Statistics Committee.

A new association may become a participating Intercontinental Statistics Committee member by unanimous decision of all current members.

MEETINGS PROTOCOL

An agenda including all substantive items for discussion shall be circulated to members and other invitees with adequate notice prior to the meeting.

Members shall be invited and encouraged to attend to all meetings for which they are eligible.

There shall be no discussion relating to machinery prices, charges, discounts, rebates or invoices.

There shall be no discussion of individual companies' future plans or estimates of future production or stock levels that is commercially sensitive.

There shall be no discussion on the terms and conditions on which products are purchased or supplied, or about independent dealers and customers (including their identity and profile).

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There shall be no discussion leading to the identity of purchasers or suppliers of any members or their competitors.

There shall be no discussion at meetings of any specific companies' data relating to trade association or other information exchanges and members agree that there shall be no discussion at any other time.

There shall be no discussion about or relating to the trading or business of any member or non-member company, whether present at the meeting or not, that is commercially sensitive.

There shall be no discussion of any other matters that can be deemed contrary to the intention or spirit of legislation on competition in any country.

There shall be a written record taken of the proceedings of each meeting and this will be circulated to all those who were entitled to attend, whether present at the meeting or not. Minutes can furthermore be published by ISC associations.

STATISTICS PROTOCOL

The purpose of the information exchange is to promote the advancement of the industry through the collection and dissemination of appropriate business data, so that participants can make informed decisions that will enhance competition and efficiency in the marketplace.

Independent trade association secretariats administer the information exchanges with the agreement of the other ISC associations.

The information exchanges are open for participation by all like suppliers of the product(s) or services in the market.

Participation shall be entirely voluntary. All participants shall be treated on common terms.

The cost of participating shall be determined by the management committee of the trade association concerned. The cost to members and to non-members may be different to take account of the relative worth of the service provided to members as part of the subscription fees already paid to the trade association.

Participants do not submit data or disclose information to any other participant in any circumstance whatsoever.

The Data Processor shall receive and collate data from participants, disseminating it on an aggregated basis to avoid the disclosure of data from any individual participant.

Participants shall maintain the confidentiality of their individual data and the collated data at all times.

The Data Processor shall not release aggregated data for any product area or sub-category where there are less than three participants based on the relevant year Model Chart.

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There shall be no exchange of data relating to prices, charges, discounts, rebates or invoices. There shall be no exchange of future plans or estimates of future production or stock levels.

The Data Processor shall not give any comment, analysis, observations or recommendations regarding the output of aggregated data. The use of pie charts, histograms and other graphical tools to present the data to participating companies in alternative forms is permitted.

The Data Processor shall maintain the confidentiality of the data submitted at all times.

There shall be no discussion at trade association meetings that would compromise the integrity of the information exchange. Participants agree that there shall also be no discussion at any other time.

RESPONSIBILITIES OF THE ISC SECRETARIAT

1. Scheduling ISC meeting dates and locations.
2. Notifying member associations of such dates and locations at least 90 days in advance of the meeting.
3. Requesting member associations to submit agenda items at least 60 days in advance of the meeting.
4. Distributing to member associations a meeting agenda at least 30 days in advance of the meeting.
5. Distributing ISC meeting minutes to member associations within 30 days of the meeting.

RESPONSIBILITIES OF THE ISC MEMBER ASSOCIATIONS

1. To notify member company statistical representatives (and/or other company designated personnel) of ISC meetings at least 85 days in advance and invite them to attend.
2. Request member company recommendations for agenda items at least 55 days in advance of the meeting.
3. To provide member companies copies of the ISC meeting agenda at least 25 days in advance of the meeting,
4. To distribute to member company representatives all final ISC meeting minutes within 7 days of receipt from the ISC Secretariat.
5. When an ISC association is reporting data to the statistical data processor on behalf of its member(s), the data are to be submitted accurately, on-time and according to the rules of the particular product program. In these situations, the ISC association reporting the data is also responsible for maintaining and updating the appropriate model charts.

RESPONSIBILITIES OF PARTICIPATING COMPANIES

Companies reporting into ISC administered programs are expected to:

1. Read and abide by the ISC Policy and Procedure Manual.
2. Submit all input data to the statistical data processor or participating association no later than the report deadline, preferably early. When reporting directly to the statistical data processor, the company shall provide the name and contact information of the person(s) responsible for submitting data to the statistical data processor.
3. Submit accurate data that are consistent with the rules of the programs.
4. Update all model information according to procedures, deadlines, and appropriate classifications outlined in the Model Identification Charts section of this manual.
5. Prepare requests for changes to existing programs or proposals for new programs. Such requests are to be provided, preferably by e-mail, to the current ISC Secretariat a minimum of 30 days prior to any scheduled
ISC meeting. The proposal will then be attached to the ISC meeting agenda to allow reporting companies and the ISC associations adequate time to consider proposals in advance of the meeting.
6. Attend ISC meetings when possible. Attendees are to be prepared to represent their company on issues listed on the agenda. Meeting preparation should include a review of all agenda items and related documents with company management to agree on a company position on these issues.

Company representatives should report to company management following each ISC meeting regarding the issues and proposals discussed and the accomplishments of the meeting.

7. Respond promptly to all surveys, ballots, and other requests.
8. Notify the statistical data processor or the appropriate ISC association when entering into the market for a new product line. The company must supply product specifications to the assigned Product Specialist in a timely manner to allow verification and setup procedures for reporting on-time.
9. Notify the appropriate ISC association or the statistical data processor of any acquisitions, mergers, etc. that may effect the parent/company structure, model chart considerations and possible disclosure issues.
10. Maintain confidentiality of the data as described in the Confidentiality of Data section of this manual.

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Each company participating in ISC administered programs must sign the Letter of Agreement which is attached as Appendix 1.

ROTATION OF THE INTERCONTINENTAL STATISTICAL SECRETARIAT

The Secretariat will rotate on a two-year basis (following calendar years) between the four associations. The timetable is scheduled as follows:

2020-21	CECE
2022-23	CEMA
2024-25	AEM
2026-27	KOCEMA
2028-29	CECE

VOTING POLICY

Members entitled to vote are AEM, CECE, CEMA and KOCEMA.

Each participating association has one vote.

On votes of policy or other broad issues of committee business that cut across product lines, all associations may vote and the vote must be unanimous to adopt.

Only associations actively participating by representing manufacturers in a specific product program may vote on product specific issues. The vote must be unanimous to adopt.

PROGRAM DEVELOPMENT COST POLICY

The association assigned the responsibility for a particular program pays the costs of developing the computer system and other procedures. These costs are not shared with other associations in intercontinental programs. As is commonly the case, these systems can serve a dual role, processing both intercontinental and domestic data programs. As a result, development costs may include more than those associated with the intercontinental data and the association serving as the secretariat for a program will be responsible for development costs.

SELECTION OF DATA PROCESSING VENDOR POLICY

The association acting as Secretariat for a particular program is responsible for the selection of the data processing vendor(s) for any particular program(s) will be with agreement of all participating Associations. The tabulation of data will be in compliance with all existing policies and procedures governing the intercontinental program and the specific product program. The data processing vendor for consolidating the intercontinental industry data can be an independent third party or an association office upon agreement of participating companies. Input and output of intercontinental statistical data must be in a mutually agreed electronic format. The tabulation costs should be comparative to other operative intercontinental statistics programs (+ or - 20%).

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RESPONSIBILITIES OF THE STATISTICAL DATA PROCESSOR

The data processor may be an independent vendor or an association office. There are some responsibilities that should be considered for all programs and these specific areas include the following good practice rules:

1. Institute and maintain proper security procedures to prevent disclosure of individual company data or consolidated industry data.
2. Publish only consolidated industry reports in a format specified by the administrative association which will follow the recommendations of the Intercontinental Statistical Committee.
3. Restrict release of individual data to representatives of the specific company.
4. Only vendor or association personnel assigned to tabulate the data should have access to individual company reports.
5. A participating company may arrange for the data processor to prepare special tabulations of both country and industry data. The work performed by the data processor for this company must be restricted to data processing only. The firm may not become a consultant to an individual company to do market analysis, develop market plans, etc.
6. Provide for the distribution of data in the form required by participants as recommended by the Intercontinental Statistical Committee.
7. Diligently follow up with late reporters.
8. Adhere to the data destruction policies as directed by the program participating ISC Associations.
9. Collate and distribute the data as quickly as possible after receipt of the last correct input.

DATA INPUT AND OUTPUT

Participants in each program have an option of inputting data directly to the data processor for final consolidation or reporting first to their respective trade association for consolidation with other companies' data and transmission to the data processor for final consolidation.

Data output is transmitted following the route of input in reverse order.

Participants submitting data directly must input data in the format prescribed by the ultimate data processor or by special arrangement. Data submitted by the intermediate data processor for a group of participants must submit input data in the format prescribed by the program or in a generic format. It is considered desirable to have a common format for input to the intercontinental data programs and associations will work towards this end.

It is recommended that new companies begin participation in a program by submitting

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data in time for inclusion in the first output of the year. Exceptions will be decided by each individual reporting group.

Segmentation (Levels 1 and 2): The customer/application segmentation coding of equipment using one of two levels of codes was adopted in March 2008 as the official ISC structure to be implemented in future statistical reporting programs. Progress toward full adoption in all programs will be monitored. See appendix 3 for a list of codes and mapping.

DATA DISTRIBUTION POLICY

All worldwide data processed through the efforts of the Intercontinental Statistics Committee shall be treated as ***Confidential*** information. **NO** data are to be released to any company or other party that is not participating in the specific product line/group statistical programs.

The Data Distribution Policy within each reporting group varies within the intercontinental structure. Current policy is that each reporting program can determine the distribution policy for the industry data in the program.

There may be specific procedures for some product programs in addition to the procedures set out in the Procedures manual.

DATA USAGE CONSIDERATIONS

ISC data should not be reconciled against external sources such as official trade statistics, domestic/regional exchange programs or external industry and market knowledge. Any such requests by statistics participants to the data processor to reconcile disparate data sets will not be accepted by the data processor.

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PRODUCT SPECIALISTS

A product specialist is responsible for monitoring the statistics programs related to their assigned products, including the review of model charts for their assigned products and that participating companies report all their products in their proper categories.

1. Attend the meetings of the committee.
2. Review model charts for the products assigned to ensure that there is no disclosure of individual company data.
3. Ensure that the model charts are current for all reporting companies.
4. Review the models of new/current reporters to ensure that these models are reported in the correct product line and class.
5. Assist, when needed, in the development of proposals for product changes.
6. Maintain and/or create product definitions for the assigned products.
7. Complete the review and start-up process by the deadlines assigned. This process starts in mid-December and is completed in January, depending upon company completion.

MODEL IDENTIFICATION CHARTS

Review of Model Charts

The iSTAT data processing system can accommodate model editing at any time. As soon as a new model is shipped it should be added to the chart. The most desirable way to report into the association data programs is by model. Model based reporting greatly increases the accuracy of reporting and since it requires all models be in iSTAT, it helps increase model chart accuracy also.

At the end of a calendar year a special review should take place to make sure that there is enough inventory of a model to show it on the model chart. If there are still units available for shipment or sale, but the model is no longer in production it should be marked as a phase-out. Models no longer being reported should be removed. New models to be reported early in the next reporting year should be added. These procedures are needed to ensure that accurate disclosure analysis can be performed before publication of data in the new reporting year.

The recommended timetable for this review is as follows:

1. **31- October** – Data processor delivers all changes to data programs and sizes to manufacturers and associations. This means that changes for the next year need to be decided and communicated no later than October 1.

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2. **1- November** - Association or tabulation agency with responsibility for model chart sends out current charts to participants Or requests that they be updated on-line.
3. **1-November – 15-December** – Charts are updated as needed by manufacturers or associations. All participating companies are to verify that their models have been reviewed and are correct.
4. **15-December – 15-January** – Product Specialists are to review model charts under their responsibility and approve them for use in data publication. Any follow-up questions to manufacturers are conducted during this timeframe.
5. **1 February**—To insure accuracy and non-disclosure, the model charts supporting all programs are to be approved prior to the first publication of data.

Note: It is the duty of participants to notify changes to model information - including dates models are introduced, phased-out and withdrawn - correctly and promptly.

CONFIDENTIALITY OF DATA

It is the responsibility and obligation of statistics recipients to treat consolidated industry data as proprietary information. Consolidated industry data are not to be divulged outside the company/dealer organization. An exception would be to provide data to a consultant contracted by the company, provided the consulting firm signs a non-disclosure agreement regarding the data. Participants should inform those in their company who have access to the data of this policy. All reports should be identified as confidential. It is the responsibility of all participants, trade association staff, and the information processing company to institute steps to enforce confidentiality, including practices such as shredding hard copy reports no longer needed and protecting individual passwords.

All individual company data are confidential. Those who should have access to individual company data include the authorized company representative(s), employees of the Data Processing Company, or association staff directly involved with the processing of the data (and where it is agreed upon by the membership).

PROGRAM CHANGES

Proposals for new programs and changes, additions or deletions to existing programs must be considered and approved by all participating associations by 1 November of the year prior to the year of the proposed change. This gives sufficient time to notify the data processor before 15 November. Proposals not approved in time will not be implemented in the following year.

Proposals should be submitted in writing and distributed to all concerned associations (participating companies and the data processor).

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A Proposal Form is attached as Appendix 2.

CODES

A single coding system is used for all ISC programs. The coding system of the International Standards Organization (ISO) is the “standard” common coding system for all intercontinental statistical programs. It includes the standard for grouping countries into major geographic areas.

REPORTER LOGS

A log of reporters’ input will be maintained for each program by the data processing vendor or association. The log will include the due date of the report, the name of the participant and the date their *correct* input was received by the data processing vendor.

In those instances where input is made by an association reporting for its members, the log should contain two dates: the dates the participant’s input is received by the association and also the date when the consolidated association input is received by the data processor. It is preferred that this log be maintained with information for a year.

REPORTING - DUE DATES

When the due date falls on a Saturday, Sunday or holiday, the report is deemed due on the following business day. The deadline is understood as close of business of the administrating association. All ISC shipment reports are due no later than 15th of each month following the month of report. All ISC Retail data is due on the 20th of the following month.

LATE REPORTERS, NON-REPORTING AND NIL REPORTING

Late reporters decrease the value of the market information that can eventually be released to participants. The paramount importance of submitting data before a deadline cannot be sufficiently stressed.

The Data Processing Vendor will contact companies who have not submitted their statistics on the due date for the report and, if this remains outstanding, every few days thereafter. If the report is very overdue, contact will be made with senior company personnel.

The company will be asked to send current specification sheets in the event of nil or zero returns over several months. If a company has a nil return for 12 months, the Association may cease sending this company the aggregated statistical reports.

These remarks on late reporters apply also to participants who are dilatory in responding to other requests from the agency or association, for example, audit requests or survey forms.

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REPORTING PROCEDURES AND LOCATIONS SURVEY

The Reporting Procedures and Locations Survey is located on the AEM website. Participating associations and companies are to update the survey annually.

AUDIT PROCEDURES

If a company has a query, it should notify the source (Association or Data Processor) from whom the data in question was directly received.

At a minimum, the inquiry should include the following information:

- a). Activity
- b). Product
- c). Size
- d). Country
- e). Time Period {(month(s) & year)}
- f). Count Too Low or Count Too High

The Association or Data Processor receiving the audit request will then establish whether the data in question was internal to their direct reporting companies or external and from another source.

If the source is internal (i.e., from its own reporting companies), the Association or Data Processor will contact the company(s) which submitted that data, inform same of the inquiry particulars and request a response of either:

- a). Acknowledgement that correction(s) will be made within the next reporting period (or)
- b). Confirmation the data are correct and no change will be forthcoming.

If the source is external (i.e., from another Association or Data Processor), that external source will be contacted (i.e., the inquiry passed onto), informed of the inquiry particulars and requested to provide a response of either:

- a). Acknowledgement that correction(s) will be made within the next reporting period (or)
- b). Confirmation the data are correct and no change will be forthcoming.

Acknowledgement of correction or no change will be communicated back to the Association or Data Processor and/or company(s) which initiated the query within three (3) calendar weeks.

Sufficient support personnel are to be available at the Association or Data Processor to comply with the three (3) calendar week response time limit.

Correction of data should be made in accordance with the ISC Policy/Procedures Manual, (see "Definition of Terms," "Revisions.").

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DATA RETENTION

Each statistics program should have a policy for the retention of both individual company and industry data. It is desirable, but not necessary, that the policy for each program be consistent.

Individual company data should be retained no longer than is necessary to consolidate the data into an industry report and follow up audits of the data. Provision should be made for companies who do not wish to have their data maintained by the Data Processor to specify that the data be destroyed after the industry report is prepared.

Industry data may be maintained by the Data Processor for as long as specified by the committee administering the program. Data confidentiality rules must be maintained. Release of historical data should be upon approval of the staff person of the association responsible for the program or the chairman of the respective committee.

LIST OF STATISTICS PROGRAMS BY PRODUCT FAMILIES

Earthmoving Equipment

Articulated Haulers
Rigid Haulers
Conventional Scrapers
Crawler Loaders
Crawler Tractors
Elevating Scrapers
Motor Graders
Wheel Loaders
Wheel Dozers
Crawler Excavators, including minis
Wheel Excavators, including minis
Pipelayers
Backhoe Loaders

Compaction Equipment

Vibratory Walk-Behind Rollers
 Single Drum
 Double Drum
Vibratory Tandem Rollers
 Two Vibratory Drums
 One Vibratory Drum
Vibratory Towed Type Rollers
Vibratory Single Drum Rollers
 Asphalt
 Soil, Smooth Drum
 Soil, Padfoot or Sheepsfoot Drum
Combination Rollers
Pneumatic Tyred Rollers
Static Rollers
 Tandem
 Three Wheeled
Trench Rollers
Embankment Rollers

Commercial Worksite Equipment

Rough-Terrain Forklifts (2 & 4 wheel drive)
Telescopic Handlers
Compact Track Loaders
Skid Steer Loaders

Refuse (Landfill) Compactors
Refuse (Landfill) Compactors
Vibratory Plate Compactors
 Forward Travel Only
 Reversible
Vibratory Tampers

Forestry Equipment

Wheel Tree Harvester
Forwarders
Log Loaders

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Tree Harvester
Swing to Tree Feller Buncher
Forestry Excavator
Log Skidders
Knuckle Boom Loaders
Drive to Tree Feller Buncher

DEFINITIONS OF TERMS

It is essential, for purposes of continuity and understanding of the data, that all intercontinental programs use the same definitions for reporting purposes. To help understand the worldwide statistics program terms, the following definitions have been developed and are presented in alphabetical order:

Demonstration Units:	Should NOT be reported into the statistical programs.
First in the Dirt (FID):	The combination of a New Retail and a First Rental (ie when the machine is first put in use or first went into the dirt).
Final Delivery (FD):	The combination of a New Retail and a Rental Conversion (ie when the machine was finally delivered to the end-use customer and the title was transferred).
Flash Report:	An early, estimated report of <i>retail sales</i> for the previous month. Flash reports are due no later than the 10 th of each month. Note: These reports are not presently utilized.
Month:	The month in which the product activity occurred. Although reporters are recommended to use calendar months, it is acceptable to use whatever a company defines as its working month.
OEM Sale:	The sale of a unit from one manufacturer to another. Where possible, products sold on an OEM basis to another reporting company marketing these units shall be reported by the marketing company and not the manufacturer (but in NO case should these units be reported by BOTH).

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Participating Company: A manufacturing or marketing company that participates in the ISC statistics programs.

Phase-out Models: Models no longer considered current by a reporting company, but for which company or dealer inventory remains. A machine removed from the model chart before the last unit in inventory is sold to an end-user cannot be reported and thus should remain on the model chart until the end of the year when the last unit is sold.

Retail Sale: This consists of both the delivery of a unit to the end-user and the settlement/title transfer for the unit by the retailer. The sequence of the two events is not significant.

Revisions: A revision is any change to the data which was originally submitted to the data processor. Any change to the data after a report is submitted is a revision. This could be a change in state, country, a return to inventory (reversal of original data), etc.

- revisions should include a reversal of the data which was originally submitted, and a corresponding entry of the correct data. A reversal and correct entry must both be made.
- for units which should have been reported, but were omitted in the appropriate reporting time frame, revisions should be made to the report time frame (month, quarter, etc) in which the unit should have been reported.
- all data revisions must be made to the data in the original or appropriate report period (month, quarter, etc) and NOT to current reports.

Shipment: This consists of the shipment of a unit directly from the manufacturer to an end-user, retail outlet, wholesale outlet or leasing pool (each of these is defined below). Units shipped to a facility where substantial changes are made to the basic product are NOT reported. The prime objective is to avoid double-reporting.

End User: Any establishment or individual who puts the product to use; the consumer.

Retail Outlet: Any establishment, including company stores, dealers or distributors, which sell the product to the end-user.

Wholesale Outlet: Any establishment, including company branch houses, which sells to a single destination country or independent or unrelated establishment that sells to an unknown destination.

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Leasing Pool: Machinery shipped to any establishment for subsequent placement with the end-user through a lease or rental purchase agreement.

Units shipped to a company's trans-shipment pools or staging areas shall NOT be reported until shipped to parties listed above and invoiced.

Year: Calendar year (1 January through 31 December).

ACRONYMS

AEM	Association of Equipment Manufacturers (USA)
CECE	Committee for European Construction Equipment
CEMA	Construction Equipment Manufacturers Association (Japan)
HAI	Hargrove & Associates Inc.
ISC	Intercontinental Statistics Committee
KOCEMA	Korea Construction Equipment Manufacturers Association

PARTICIPATION REQUIREMENTS FOR ISC ASSOCIATIONS

All associations participating in ISC statistics programs must understand and meet the following basic requirements, and must comply with all policies and procedures contained in this Manual.

1. Participation in the ISC statistics programs is limited to Association member manufacturers.
2. ISC Association member companies that are engaged in the manufacture of machinery or equipment and meet the requirements of the specific programs in which they wish to participate will be admitted to the programs, provided that they agree in writing to comply with the program rules and pay any required fees.
3. Companies must report all activity/data from all worldwide sources including licensees, subsidiaries, joint ventures and any other manufacturing/marketing arrangements, to all destinations in the world.
4. All new Associations joining the ISC will be required to submit their data by model (CEMA is grandfathered in).
5. Adequate systems must be maintained by each Association to properly comply with the requirements of the program(s) in which their members participate.
6. Each Association is required to provide a roster and a Product Specialist for each of the programs the Association will be participating in.
7. All Associations are required to sign an Acknowledgement of Confidentiality Agreement (Appendix 4).
8. Before joining the ISC, a new Association must answer specific questions regarding their: 1. Willingness to comply with and enforce confidentiality rules; 2. Members' ability to report the required data on time; and, 3. Internal audit processes for monitoring the accuracy of member data.
9. Admittance into the ISC requires the unanimous approval of all current Associations (AEM, CECE, CEMA and KOCEMA).

Appendix 1

Letter of Agreement for Participation in ISC data exchanges:

As a condition of participation in the Intercontinental Statistical Committee data exchange, this company hereby agrees to:

1. Read and conform to the ISC General Policy/Procedures Manual
2. Participate in all ISC programs for which eligible and to report data for all joint ventures and affiliates
3. Endeavor to ensure that the data reported is accurate
4. Provide required details to the appropriate trade association/ data processing agency for all models to be reported.
5. Report into the agreed classifications of the program using the appropriate input forms or software
6. Input data on or before the prescribed due dates
7. Arrange to have back-up personnel trained and prepared to complete the reports in the absence of the participant's primary person
8. Follow the agreed definitions for shipment, retail and flash and other terms used in reporting
9. Input shipments by country of first use (please see definition)
10. Participate in surveys and comply with requests for information intended to improve the quality of the statistical information.

I verify that this company can and will comply with the aforementioned requirements for participation.

Name: _____ Title/Position: _____

Company: _____ Date: _____

Appendix 2

Proposal Form for ISC Administered Statistics Programs



ISC Statistic Program Proposal Form
Please attach sample model chart, if applicable.

Is this proposal for a new program or is it a change to an existing program?
☐ NEW ☐ CHANGE

If This is a Change, Please Enter the Product Code and Product Name (e.g. "EM04 - Wheel Loader"):

If This is a New Program, Please Enter Product Name:

Proposal Date (mm/dd/yyyy):

Submitted By (Association/Member Company):

Reporting Frequency:

Proposed Due Date (mm/dd/yyyy):

Proposed Start Date (mm/dd/yyyy):

Proposal Description (What is to be Accomplished?):

Print Form

Clear Form

Product Definition (If New Program):

Products/Sizes of Products to be Included:

Associations with Potential Participants:

Geographic Areas to be Included (If Different Than All ISO-Recognized Countries of the World):

Data to be Reported:
SHIPMENTS: ☐ RETAILS: ☐

Measurement Classification (i.e., Weight, Lift Capacity, Height Capacity, etc.):

Additional Data to be Reported (ISC Segments, First Use, Direct Sales, etc.):

Back Report Historical Data? YES: ☐ NO: ☐
Back Report To (mm/yy, If Available):

Data Distribution (If Different from Standard Distribution to Association Member Rep/s):

Contingencies (e.g., In the Event of "X" This Proposal Changes in This Manner):

NOTE: Please return this form to the ISC Secretariat for distribution to all Association representatives.
Form last updated: 10-16-19

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Level1_Name	Level2_Name	Level 2 Code
Contractor	Building Construction	1
	Demolition & Recycling of Construction Materials	405
	Infrastructure - Transportation	401
	Infrastructure – Utility and Civil Engineering	402
	Landscaping	53
Dealer/Manufacturing Affiliated Rental	Dealer/Manufacturing Affiliated Rental	408
Government	Government	409
Independent Rental Company	Independent Rental Company	60
Shipments	Shipments	403
Site Specific	Agriculture	46

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	Forestry	63
	Industrial and Commercial Material Handling	407
	Mining and Quarrying	406
	Waste Management	404

Appendix 4

ACKNOWLEDGEMENT OF CONFIDENTIALITY OBLIGATIONS WITH RESPECT TO ISC INDUSTRY DATA AND REPORTS

The Official Company Representative (OCR) for the undersigned Association, as a voluntary participant in the Intercontinental Statistics Committee (ISC) Construction Equipment Statistical Programs, acknowledges and agrees to follow the confidentiality requirements that apply to all, or any part, of the compiled data in the ISC Statistical Reports which the Association receives in tangible form or has access to via electronic or other means (ISC Industry Data).

The *ISC Intercontinental Construction Equipment Statistics Programs General Policy & Procedure Manual* states the confidential and proprietary nature of ISC Industry Data. Page 12 of the Manual, Confidentiality of Data, states each Association's Confidentiality Obligations:

Confidentiality of Data

"It is the responsibility of the statistics recipients [ISC Participating Association and their members] to treat consolidated industry data as proprietary information. Consolidated Industry data are not to be divulged outside the association, member, nor member company dealer organization. An exception would be to provide data to a consultant contracted by the association or its member company, provided the consulting firm signs a non-disclosure agreement regarding the data. Participants should inform those in their association or company who have access to the data of this policy. All reports should be identified as confidential. It is the responsibility of all participants, ISC staff, and the Information processing company to institute steps to enforce confidentiality, including practices such as a shredding hard copy reports no longer needed and protecting individual passwords."

It is imperative that each Association participating in the ISC Statistical Programs and their personnel understand the above Confidentiality Obligation and comply with it. This includes advising those persons in your organization with access to the ISC Statistical Reports of the foregoing Confidentiality Obligation and securing adequate assurance to comply. Any release of the ISC Statistical Reports to third Parties except as authorized above is a violation of ISC Policy and may result in a monetary penalty, suspension or termination from the Program. This includes the use of all or any portion of ISC Statistical Reports in reports prepared by the Association and disseminated to the public or to select investor or other groups.

If there is any question or doubt whether any proposed use of ISC Statistical Reports by an Association or its member company could possibly be a non-permitted use, please contact ISC Secretariat in advance for guidance.

Please sign below and return this acknowledgement form to the current acting ISC Secretariat.

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Association Name

OCR

Signature

Date

Appendix 5

INTERCONTINENTAL STATISTICS COMMITTEE WORLDWIDE MARKET DATA PROGRAM: DATA USAGE CONSIDERATIONS

Objective of this Document

The objective of this document is to provide company participants in the Intercontinental Statistics Committee (ISC) Worldwide (WW) retail programs with guidance regarding the data they receive through their participation in the data exchange. This guidance describes both the value and limitations of the data. Thus, it is hoped, the guidance reduces concerns about data quality should participants, for example, choose to compare their data against other data sources.

Comparisons to other data sets at times lead to unwarranted data audits and raises questions regarding WW market data accuracy. The resource implications for the auditing company, audited company, relevant association and data processor are significant, therefore we seek to minimize audit actions given the resource impact.

What is the ISC?

The Intercontinental Statistics Committee (ISC) was formally organized in 1989. The current members are:

- Association of Equipment Manufacturers (AEM)
- Committee for European Construction Equipment (CECE)
- Construction Equipment Manufacturers Association (CEMA-Japan)
- Korea Construction Equipment Manufacturers Association (KOCEMA)

The data processor for the ISC is Hargrove & Associates, Inc. (HAI), based in Minneapolis, Minnesota (U.S.).

The purpose of the ISC is to enhance the worldwide markets statistical information available to participating manufacturers engaged in the global construction equipment industry.

A list of all the statistics programs under the auspices of the ISC can be found under Appendix A: List of ISC WW Statistics Programs by Product Family.

The Value of ISC WW Statistics Program Data

Manufacturers competing in the global marketplace require robust data to drive their strategic business planning. The ISC WW statistics programs serve as invaluable data inputs into their efforts.

The Limitations of ISC WW Statistics Retail Data

Not all program participants in the WW programs can report true retail data in every country. Some, but not all, worldwide program participants report a combination of retails and shipments.

HAI is increasingly challenging audits arising from data programs that “mix” shipment data and retail data together given that the resulting data set represents neither a true retails data set nor true shipments data set, thereby making comparisons to external data sets even more problematic. Such is the case when one compares WW data to AEM’s Latin America Regional Retail Statistics Data. See Appendix B: Comparing AEM’s Latin America Regional Retail Statistics Data with Customs Import Reports and Worldwide (WW) Retail Data: Not an “Apples to Apples” Comparison.

Also, a number of multi-national companies report ISC data from a central location

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and assign the regional data to be reported by their regional office. These data sets are reported separately into each of the data programs, are not always shared within these companies by these regional offices, and may not be the same.

Finally, different companies or versions of companies may participate in the ISC retail programs than may participate in other regional market exchanges. This variation in participation can create data comparison discrepancies if statistics participants make comparisons across these disparate data sets.

Given these considerations, it is the ISC's official position that ISC data should not be reconciled against external sources such as official trade statistics, domestic/regional exchange programs or external industry and market knowledge. Any such requests by statistics participants to the data processor to reconcile disparate data sets will not be accepted by the data processor.

Appendix A: List of ISC WW Statistics Programs by Product Family

Earthmoving Equipment	Compaction Equipment
Articulated Haulers	Asphalt Pavers:
Backhoe Loaders	- Wheeled
Crawler Excavators, including minis	- Tracked
Crawler Tractors	Combination Rollers
Motor Graders	Pneumatic Tyred Rollers
Pipelayers	Static Rollers: Three-wheeled
Rigid Haulers	Trench Rollers
Telescopic Wheel Loaders	Vibratory Single Drum Rollers:
Wheel Excavators, including minis	- Soil, Smooth Drum
Wheel Loaders	- Soil, Padfoot or Sheepsfoot Drum
	Vibratory Tandem Rollers: Two Vibratory Drums
	Vibratory Walk-Behind Rollers: Double Drum
Forestry Equipment	Commercial Worksite Equipment
Drive to Tree Feller Buncher	Compact Track Loaders
Forestry Excavator	Refuse (Landfill) Compactors
Forwarders	Roto Telehandlers
Knuckle Boom Loaders	Rough-Terrain Forklifts (2 & 4 wheel drive)
Log Loaders	Skid Steer Loaders
Log Skidders	Telescopic Handlers
Swing to Tree Feller Buncher	Vibratory Plate Compactors:
Tree Harvester	- Forward Travel Only
Wheel Tree Harvester	- Reversible
	Vibratory Tampers

Appendix B: Comparing AEM's Latin America Regional Retail Statistics Data with Customs Import Reports and Worldwide (WW) Retail Data: Not an "Apples to Apples" Comparison

Objective of this Document

We understand that some statistics program participants in AEM's Latin America Regional Retail and Worldwide (WW) Retail programs continue to compare both programs' data, and in the case of the Latin America Regional Retail program to custom import reports as well, in order to validate their market share. This situation at

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times leads to unnecessary audits and raises questions regarding AEM market data accuracy.

The objective of this document is to educate program participants as to why these are not valid comparisons (not “apples to apples”). These reports fundamentally are not the same in terms of reliability, accuracy, and timely data. Therefore, making these comparisons can result in incorrect assumptions that AEM’s data quality is not accurate. In addition, knowledge of this information will undoubtedly increase program participants’ confidence in AEM’s statistics programs and reduce the number of unnecessary audits requests.

Comparing AEM’s Latin America Regional Retail Statistics Data to Customs Import Reports: Not an “Apples to Apples” Comparison

Please note the following key differences between AEM’s Latin America Regional Retail Statistics data and customs import reports:

- A customs report tracks all the world imports. It includes the equipment brands imported from all the world equipment manufacturers. The Latin America Regional statistics data includes only those brands represented by program participants. For example, customs import reports may include 15 equipment brands while AEM’s Latin America regional statistics data may include 10 brands. Thus, the total industry sales from each source is not the same, thereby yielding two separate market share results.
- Local customs agents and freight forwarders often record the equipment in the wrong Harmonized Code (HS) category thereby contaminating the information and inflating the total industry sales. For example, forklifts (HS code 842790) are found at times in the mobile cranes (HS code 870510) category.
- Some local governments in Latin America still track their imports by at least 4-digits or 6-digits codes. There are ten digit numbers in a complete code. See illustration below that describes what each set of numbers represent for a given product. The absence of a digit makes it difficult for the customs import reports to capture accurately the products’ full description in terms of new or used and whole equipment or components/parts.

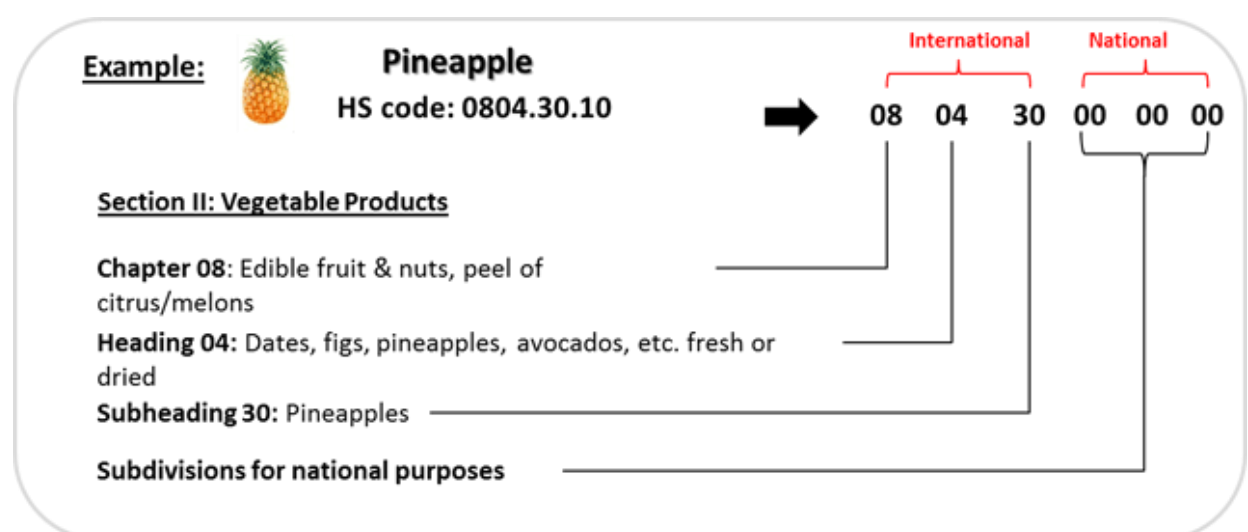


Image source: As illustrated in the <http://hscode.org/> website.

Comparing AEM’s Latin America Regional Retail Statistics Data to Worldwide

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(WW) Retail Data: Also Not an “Apples to Apples” Comparison

Comparing AEM's Latin America regional retail statistics data to WW retail data is not an “apples to apples” comparison either. Some of the known issues/reasons include:

- Not all program participants in the WW programs can report true retail data in every country. Worldwide program participants report a combination of retails and shipments. AEM's Latin America Regional Statistics program participants report true retails.
- Not all regional retail data are used as a contribution to the WW Intercontinental Statistics Committee (ISC) retails. A number of multi-national companies report ISC data from a central location and assign the regional data to be reported by their regional office. These data are reported separately into each of the data programs. These data are not always shared within these companies and may not be the same.
- Different companies or versions of companies participate in the ISC retail programs. There are more participants in ISC Retail programs than in the LA Regional Program. Therefore, the total industry sales from each source is not the same, thereby yielding two separate market share results.