

Caterpillar Celebrates Grand Opening of New Brazil Facility

Piracicaba, 11/6/2013 – Today Caterpillar is celebrating the grand opening of its newest factory in Brazil. This new facility, located in the city of Piracicaba, the state of São Paulo will remanufacture engine components and assemble hydraulic hoses. These two operations will employ roughly 80 operational, technical and administrative employees in a 10,000 square-meter facility. The plan to open this facility was first announced by the Governor of São Paulo State, Geraldo Alkmin in June 2012.

The assembly operation of Cat® hydraulic hoses with low, medium and high pressure will initially feed the production lines of Cat machines at the factories in Piracicaba-SP and Campo Largo-PR. The goal is also to provide short-term supplies for the dealer network in Brazil, Argentina, Uruguay and Paraguay. This is the ninth Caterpillar operation in the world specializing in the assembly of hydraulic hoses for Cat products.

The remanufacturing operation is also a pioneer in the region, and even though it is Caterpillar's first in South America, it is the 18th Reman facility globally. Caterpillar is a global leader in this industry, with operations in North America, Europe and Asia, where it makes Cat Reman components for Cat® equipment.

“Remanufacturing is one of Caterpillar's most important contributions to sustainable development, as we will extend the life of non-renewable resources”, said Luiz Carlos Calil, president of Caterpillar Brasil. “This is the first Caterpillar remanufacturing factory in South America using Cat Reman technology. The Reman process is very important for the environment as it returns previously used components to a condition equal to or better than the original products, said Calil.

In the remanufacturing process, the end of life components are disassembled, cleaned, rigorously inspected and, when possible, salvaged leveraging Caterpillar advanced technology salvage processes. The salvaged components are then combined with new genuine Cat parts into finished Cat Reman engines components. These products are then tested to confirm they meet Caterpillar specifications and quality standards. All Cat Reman products are warranted by Caterpillar.

“We are pleased to offer the best services to our customers”, said Greg Folley, Vice President of Caterpillar's Remanufacturing, Components and Work Tools Division. “Remanufactured products reduce equipment operation costs, while increasing machine availability for work. In addition, remanufactured components can cost approximately 40% to 60% of the price of new components, while offering the same reliability, quality, performance and warranty. The advantage for the environmental is a reduction of up to 85% of energy, 90% of water, 99% of raw materials and 99% of solid waste, thus utilizing less landfill space. It's a win-win for all.”