

Celebrating
65 Years
of Service
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CONNECTING OUR GLOBAL CATERPILLAR FAMILY TODAY

**FALL 2014** 

MESSAGE FROM DOUG

### CELEBRATING ANNIVERSARIES, SERVICE AND MANUFACTURING

I've been part of some great celebrations recently. In August, hundreds of Caterpillar friends and customers gathered in Sao Paolo, Brazil, to mark the 60th anniversary

of our first operations in Brazil. Also in August, hundreds of our employees and friends in San Diego, California, celebrated an employee's 65 years of service at Solar. That's the second time within a year that I've given a 65-year Service Pin. It doesn't get much more rewarding than that!



"I'm proud of the Caterpillar people who get it done, every day."

Then, during October more than 200 of our U.S. facilities celebrated Manufacturing Day. There were so many events that we turned what was supposed to be just one day into a month-long series of celebrations.

It's easy to celebrate manufacturing! It's a crucial and historic part of the U.S. economy and just as crucial for the future.

People who don't know today's manufacturing may not realize the imagination, skills and dedication that go into every product — from the first glimmer of an idea to the engineering and design, to the machining, final assembly, paint and test, to branding, marketing and sales.

But I know, and I'm proud of the Caterpillar people who get it done, every day. So, let's celebrate our people and the work we do—
it's incredibly valuable.

Thanks!



**BUILDING STEAM FOR STEM** 

According to the U.S. Department of Labor and Bureau of Labor Statistics, women now make up nearly 60 percent of the overall workforce in the United States, but they are much less represented in particular science and engineering occupations. That's a statistic that resonates throughout the world, and it's one Caterpillar Inc. is dedicated to changing. It was the focus of a recent Caterpillar STEM (science, technology, engineering and mathematics) camp on July 16 called "4G: Gadgets, Games, Girls and GENIUS."

Peoria-area Reman, Components & Work Tools Division employees worked together to host the event with the aim of introducing middle school girls to exciting careers in engineering at Caterpillar. Caterpillar leaders believe girls and women are key in addressing the world's toughest challenges.

"By engaging young students early in their education, we can expose them to the benefits of working in an inclusive environment where they can really make an impact on the world with their innovative ideas," Steel Products and Work Tools General Manager Ken Hoefling said.

More than 30 Peoria-area students attended the East Peoria, Illinois, Caterpillar STEM camp — a fun, interactive and educational day that included several interactive learning stations focused on engineering principles, innovations, teamwork and Caterpillar's products and technology. Click here for a video overview of the camp.

In addition to the interactive programming, the middle school girls visited the virtual engineering lab in Building CV and made a trip to the Mechanical Lab in Building LC. The students also had the opportunity to hear from Hoefling and former Society of Women Engineers (SWE) president and Caterpillar employee Stacey DelVecchio. Other female employees shared their experiences in engineering and supply chain throughout the day.

"It makes me proud to work for a company that encourages its employees to engage and inspire our youth and future female leaders," DelVecchio said. "We need more women working in STEM fields at Caterpillar and throughout the world, and I am continually inspired seeing young girls light up with interest and enthusiasm about the possibilities that lie within the fields of science, technology, engineering and math."



In 1966, an exciting project started at the factories of the Bucyrus Erie Co. — the engineering and building of the components that would be one of the world's largest earthmoving machines ever built, "Big Muskie." Central Ohio Coal Co. had chosen this immense machine because the mine property extended over 110,000 acres of hilly terrain and made the use of a dragline versus a shovel to be more profitable at the levels of earth the coal was located in. It also allowed the coal company to better carryout their reclamation plans.

The machine was so large it was necessary to ship the components to the coal mining customer in Ohio and erect the machine on site. It took 340 rail cars and 260 trucks to ship all of the components and 200,000 man hours to construct, but the machine finally went into production in 1969.

Weighing in at over 27,000,000 pounds, it stood nearly 22 stories high and had a 330-foot twin boom and a 220-cubic yard bucket the size of a 12-car garage.

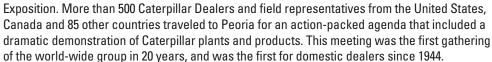
In 1976, "Big Muskie" removed 8,000 yards of overburden for the coal company per operating hour. In its 22 years of service, it removed twice the amount of earth moved during the original construction of the Panama Canal.

Shut down in 1991, "Big Muskie" was finally dismantled for scrap in 1999. The only component saved was the bucket, which was later incorporated into a display about the machine and surface mining and reclamation in Miners Memorial Park in McConnelsville, Ohio.

- Caterpillar Inc. Corporate Archives

#### Power Parade Inspiration Stems from Ground-Breaking Worldwide Dealer Meeting

In 1955, Caterpillar hosted a Worldwide Dealer Meeting called The Caterpillar



The highlight of the meeting was "The Big Parade," staged at the Peoria Proving Grounds in Washington, Illinois. In seven successive waves, nearly \$2 million of earthmoving equipment (equivalent to nearly \$18 million in 2014) paraded over a huge levee and filed one-by-one past the grandstands. This spectacular performance excited and inspired dealers for the future.

According to former Director of Governmental and Public Affairs, Byron DeHaan, it was this dealer meeting that inspired the inaugural Power Parade held in 1964 in Marquette Heights, Illinois. If The Big Parade was this inspiring to the dealers and field representatives, the thought was that employees would be equally as inspired to see a parade of equipment they helped build.

A total of five Power Parades were held — in 1964, 1973, 1978, 1988 and 2000 — drawing nearly 100,000 attendees each.





### Caterpillar Employees Celebrate Best Company to Work for in Brazil Awards

On August 18, two Caterpillar facilities in Brazil achieved top three rankings in the Best Company to Work for in Brazil awards ceremony in Sao Paolo.

Caterpillar Brasil (Piracicaba) was named as the second Best Company to Work For in the large scale category. It is the only company in Brazil to consistently appear in the top five companies for the last eight years — a great achievement.

IPSD Brasil (Perkins Motores do Brasil Ltda, Curitiba) was named as the third Best Company to Work For in their category.

This award recognizes the way the company acknowledges people's accomplishments.

The award ceremony for the best companies gathered 600 representatives from the 130 companies featured in the 2014 ranking. In order to choose the best companies, Great Place to Work evaluated the people management practices of 1,276 companies. Employees were asked to take part in a confidential survey which was used alongside information on company people management practices to determine the award winners.

The Caterpillar teams both won additional awards recognizing some of the fantastic work that has been undertaken to increase employee engagement.

Caterpillar Brasil received an award highlighting the practice of "Listening." This award recognizes the most open and accessible companies for people to ask questions, make suggestions and express their ideas.

The IPSD Brasil team also collected the "Celebrating" award. This award recognizes the way the company acknowledges people's accomplishments by stimulating the spirit of teamwork and creating an atmosphere of camaraderie.

## **Caterpillar Takes Part in First Responder Recognition Parade**

Despite the rain, there were no watereddown spirits during the First Responder Recognition Parade in Washington, Illinois, in mid-August. The event, led by Washington Mayor and Caterpillar employee Gary Manier, featured the first responder agencies, including Caterpillar, that helped with relief efforts after an EF-4 tornado struck Washington on November 17. A Cat® M322D and several other pieces of Cat equipment that assisted in the aftermath of the tornado were featured in the parade. Hundreds of parade spectators surrounded the downtown Washington square to express their gratitude toward to those who came to the city's rescue in the minutes, days and weeks following the tornado, which destroyed more than 1,000 homes.

Peoria Proving Ground employee Carter Gibbons expressed how crucial it was that Caterpillar came to help the City of Washington and surrounding areas so soon after the disaster struck. "I was working there on both the community side and the personal side, helping individual homeowners with debris and cleaning up the significant damage to my property. With mountains of debris everywhere, there was no room for large equipment, so smaller equipment like skid-steers, backhoes and small excavators were important. It was quite an impressive display of teamwork to get this devastating process completed."

As soon as Operations Manager Maggie Johnson learned of the severity of the CATERPILLAR
Peoria Proving Ground
Proud to be part of Washington Strong

Washington Mayer and Caterpillar
Employee Gary Manier poses with a
piece of Cat® equipment during the First
Responder Recognition Parade.

damage, she immediately went to the Peoria Proving Ground. "We sent light plants immediately and machines shortly after. We worked with Edwards Demonstration and Learning Center and Cat® dealer Altorfer to provide support in a unified front. Having the ability to offer support to the recovery efforts makes me proud to be a part of the Caterpillar team," she said.

Some of the materials and services provided by Caterpillar for Washington residents included:

- The First Response Team of America (FRTA), an organization supported by the Caterpillar Foundation and many business units, was on the ground in Washington less than 24 hours after the tornado struck. The FRTA caravan of machines and generator sets donated by Caterpillar immediately got to work helping families sift through rubble and clearing roads.
- Working with one of its business partners, Eurest, Caterpillar donated 1,000 box lunches to the Red Cross for storm victims and volunteers.
- Edwards Demonstration and Learning Center dispatched two operators to run a backhoe loader and multi-terrain loader.

The rain clouds gave way to sunny skies midway through the parade, shining down on the people and first responders that keep the city "WASHINGTON STRONG."



#### Where in the World... Spotting Caterpillar Around the World



Cat® equipment works on the Stelvio Pass in northern Italy. The Stelvio Pass is a mountain pass in northern Italy, at an elevation of 9,045 feet above sea level. It is the highest paved mountain pass in the Eastern Alps, and the second highest in the Alps.



Cat® equipment is not at work, but rather on display at the Leon County Public Works station in Tallahassee, Florida.



A Caterpillar retiree and his son were in Brazil for the 2014 Soccer World Cup and went to Recife, Brazil, for the USA vs. Germany match. While there, they enjoyed a walk on the beach and spotted a vendor selling food and drink from a cart using a Caterpillar umbrella for shade.

# 65 YEARS OF SERVICE...

Friends and Family Congratulate Betty Reed at 65-Year Service Pin Celebration

On August 21, 2014, more than 100 Caterpillar and Solar Turbines friends and family celebrated Betty Reed's 65 years of service. Mrs. Reed was honored with a special pin ceremony and dessert reception at Solar's Harbor Drive facility.

Attendees included Betty's granddaughter Heather Landry, who works at Harbor Drive as a tool & cutter grinder, Caterpillar Chairman and CEO Doug Oberhelman, Energy and Transportation Group President

Jim Umpleby and Caterpillar Vice President Tom Pellette.

Throughout her 65 years, Reed has exemplified the importance of putting Our Values in Action. This work ethic, in addition to her warm demeanor and positive attitude, has earned her great respect among co-workers and supervisors alike.

The City of San Diego also issued proclamation, naming September 12, 2014, Betty Reed Day in San Diego.

Born and raised in Solana Beach, California, Reed has always





known the meaning of hard work. As a teen, she earned money by babysitting for 75 cents per day. When she learned of the opportunity to earn 65 cents an hour working at Solar, Reed was eager to land the job and to work alongside her husband, brother and cousin. Reed began work on Friday, November 13, 1942, as a general assembler in National City, California. That plant closed in 1945, and Reed was transferred to the Harbor Drive facility in San Diego, where she now works in Building 13.

Throughout her 65 years of dedicated work, Reed has achieved an impressive feat of zero injuries. Her supervisor, Mohammad Karbasi, attributes this to her meticulous attention to detail. "She is very careful. She also takes care of her equipment and is always 100 percent focused on the task at hand," said Karbasi. "Betty gets the job done right the first time, and refuses to send on products that don't meet quality standards."

As a result of her tremendous work ethic, Reed sets an example to those around her. "She keeps up with the best of them, and she's been a mentor," said Karbasi. "Everyone has a great deal of respect for what she says."

When asked about 65 years of service, Reed said, "It's a good company and I enjoy coming here every day. It's been a pleasure."

## Caterpillar Completes Breakthrough Engine Order in India

On August 18, a flag-off ceremony took place in Chennai, India, as Caterpillar became an approved vendor for Indian Railways Integral Coach Factory (ICF) with the Cat® 3508B for the 1400 HP DEMU. This breakthrough order was made possible through strong customer collaboration and support from three Caterpillar business units, Industrial Power Systems (IPSD), Progress Rail and Large Power Systems (LPSD).

India has one of the largest rail networks in the world and some of our toughest competitors have dominated this high speed locomotive engine market for a number of years. The focus on entering this market now supports our enterprise strategy of expanding our leadership in this important



growth area and leveraging our strong global footprint to support a new customer group.

The IPSD India and Progress Rail teams demonstrated a strong focus on the customer with numerous customer visits to highlight our strategy and provide assurance of the high quality support on offer from Caterpillar, ensuring that the customer wins every time. The team also worked closely

with the LPSD team to develop the engine for this application, including type testing at the Hosur facility for 100 hours, as per Indian railway requirements.

GMMCO, Caterpillar dealers for South and West of India, successfully executed the developmental order involving supply, installation and commissioning of these engines

with support from IPSD India application engineering team.

With this success, Caterpillar has become an approved vendor for the supply of Cat 3508B for 1400 HP DEMU application. The flag off ceremony, attended by senior representatives from ICF, GMMCO, Progress Rail and IPSD India, marked the beginning of a strong relationship with Indian Railways.

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