QUESTION: What are your responsibilities as CEO/Vice Chairman of Komatsu America?

ANSWER: There are several elements that make up Komatsu America, including our construction and utility division, mining division, parts division and forestry and forklift divisions. My responsibilities include all functions that fit across those groups, as well as the nuts and bolts of our financial results. One key role I see is as a collaborator who’s making sure our organization is working together for the common cause of serving our customers. Throughout the company, no matter what role they play, the thought I want at the top of everyone’s mind every day is, “What are we doing today to serve our customers?”

QUESTION: You’ve held several leadership positions with Komatsu. How has that prepared you for your current role as CEO?

ANSWER: Very well. Each position has its own uniqueness, so having served in construction, mining and utility gives me a well-rounded background in all aspects of the company. Those perspectives are a good foundation from which to work. One common aspect of the various positions I’ve held includes talking with and listening to customers. I have a very good understanding of where they’re coming from, what challenges they face and what will help them be more productive and profitable. We take that knowledge and use it to build better machinery that’s more reliable and efficient.

QUESTION: What do you believe are Komatsu’s strengths?

ANSWER: One major strength is our distributor network, which provides our customers with equipment, parts and service.

Walk into Rod Schrader’s office and one of the first things you’ll notice is a plaque that reads, “Good News is No News, Bad News is Good News, No News is Bad News.” Schrader, Komatsu America’s new CEO/Vice Chairman, says the phrase is very relevant to the company’s success. “What it boils down to is listening to the customer,” said Schrader, who moved into his new position April 1. “The second two lines are the most profound for me. Bad news is good, because if we know the bad, we can find the root causes and put actions into place to fix it. I encourage our employees and customers to present us with the bad news. The third line, ’No News is Bad News,’ suggests we’re not hearing the voice of the customer. We’re either not out there listening or communicating with them. Going to customers’ workplaces to listen and see the facts, enables us to provide solutions to improve our customers’ operations.”

Schrader has spent a good deal of time listening to customers during his 25 years with Komatsu, the past seven as Executive Vice President/General Manager of Komatsu America’s Mining Division. He’s also been a product manager, Director of Marketing, Vice President of Product Marketing and President of Komatsu Utility Corporation. He’s been a member of the Komatsu America Corporate Board since July 2010.

“I’ve seen all sides, so to speak,” said Schrader, an Illinois native. “What’s common throughout is that Komatsu cares about the customer, whether it’s a guy with a mini excavator digging utility lines or a large mining company with a fleet of our largest trucks. My goal is for Komatsu to be known as the best in the equipment industry when it comes to serving the customer.”

Schrader and his wife, Kim, have three children (twins Hannah and Logan who are freshmen in college and Connor, who’s still in high school). He enjoys golf, yard work and jogging.
support from trained personnel. We believe we have the best in the business, and my goal is to continue to provide them with the support they need to grow their business, train their people and offer the tools they need to be most effective at serving customers in their markets.

Another is being an innovative leader in equipment and product support. For example, we were the first to manufacture a hybrid machine, now in its second generation, before any other manufacturer commercially introduced its first. Our Tier 4 Interim machines have been very well-received because we not only met the standards, but did so with more productive and efficient machines. Along with that, we’re the first to offer complimentary service with our Komatsu CARE program on those Tier 4 Interim machines. We were the first manufacturer to offer free machine monitoring with our KOMTRAX system. Items such as those add value that can lead to better per-yard costs, less fuel usage and more profit.

Finally, we’re always striving to improve. For the past several years, we’ve collected a large volume of data through KOMTRAX. For the most part, we’ve been reactive in using it. Now, we’re more proactive by taking that information and using it two ways: to help our customers identify ways to better utilize their machinery, save fuel and plan for scheduled maintenance; and for our distributors to better stock their parts inventory and contact customers to schedule services.

**QUESTION:** What do the markets look like today?

**ANSWER:** The trends continue to go up and strengthen. Mining remained fairly strong, even during the worst of the recession, and we believe that’s going to continue for some time. From a construction standpoint, we saw an increase in year-over-year sales during our previous fiscal year, which indicates a recovery. We’re optimistic that this year will be even better.

At Komatsu, customer input is one important aspect of improving products, as well as parts and service capabilities, according to CEO/Vice Chairman Rod Schrader. He encourages customers to visit Komatsu manufacturing plants and provide feedback.

Komatsu CEO/Vice Chairman Rod Schrader says products and service, such as Tier 4 Interim excavators and trucks with KOMTRAX 4.0 and Komatsu CARE, are why Komatsu is an innovative leader in productive, reliable and efficient equipment.

**Helping customers understand how to better utilize their machinery is one aspect of Komatsu’s support. CEO/Vice Chairman Rod Schrader says data collected through KOMTRAX offers ways to decrease fuel usage and idle time as well as use equipment in the most efficient mode for the task at hand.**