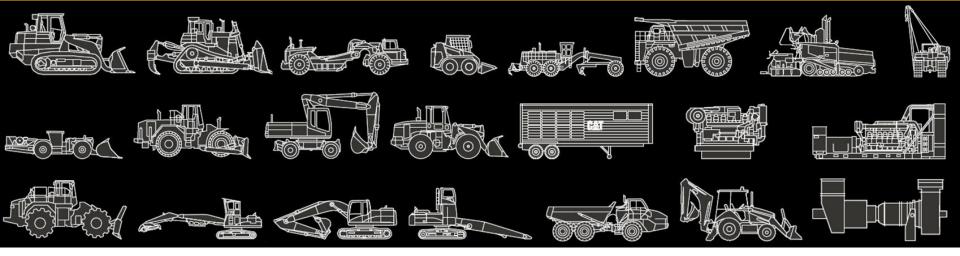
# The Path from Innovation to Production

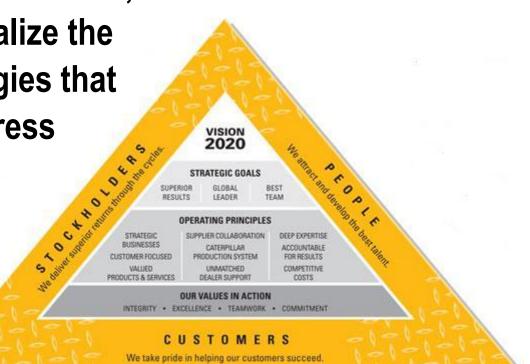
## Jim Halloran – Western Region Manager





CATERPILLAR:: Confidential Green

# Product Development: The process by which we select, develop and commercialize the products and technologies that make sustainable progress possible.







# **The Product Creation Value Stream**



4-year cycle





3

# **Three Key Voices**

# **VOC (customers)**

- Productivity
- Efficiency

# **VOB (industry)**

- Profitability
- Sustainability

# VOR (society)

Risk management



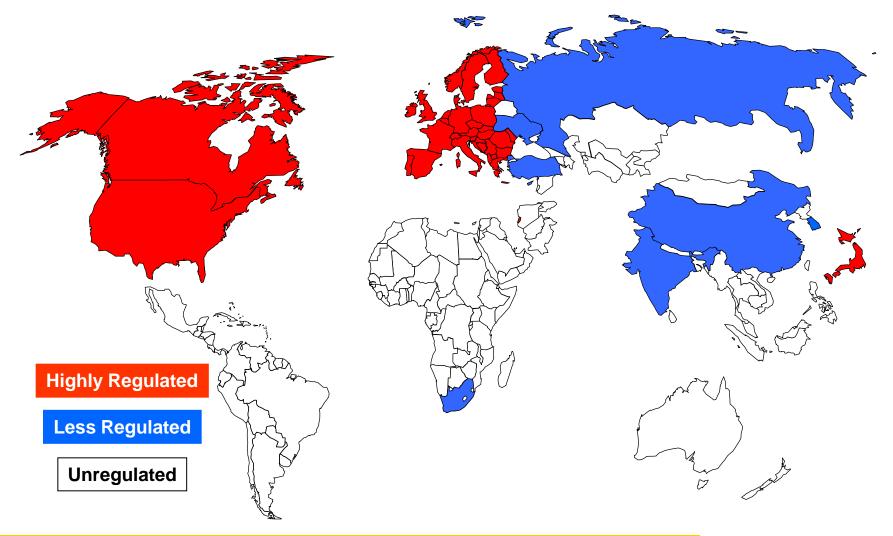








# A Complex Marketplace...







# A Complex Marketplace... drives product complexity

Inconsistent fuels

- Varying degrees of regulations
- Inconsistent enforcement
- Wide array of customer business models
- Inconsistent access to capital
- Varying skill levels
- Economic diversity
- Inconsistent business ethics
- Industry structure & history



**Highly Regulated** 

**Less Regulated** 

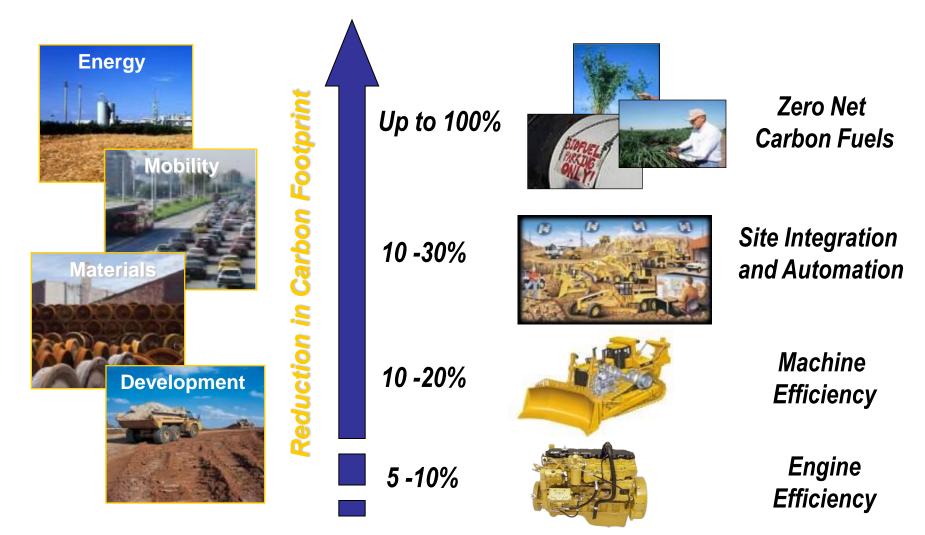
Unregulated







# **Technology Trajectory: Fuel Efficiency**



CATERPILLAR: Confidential Green

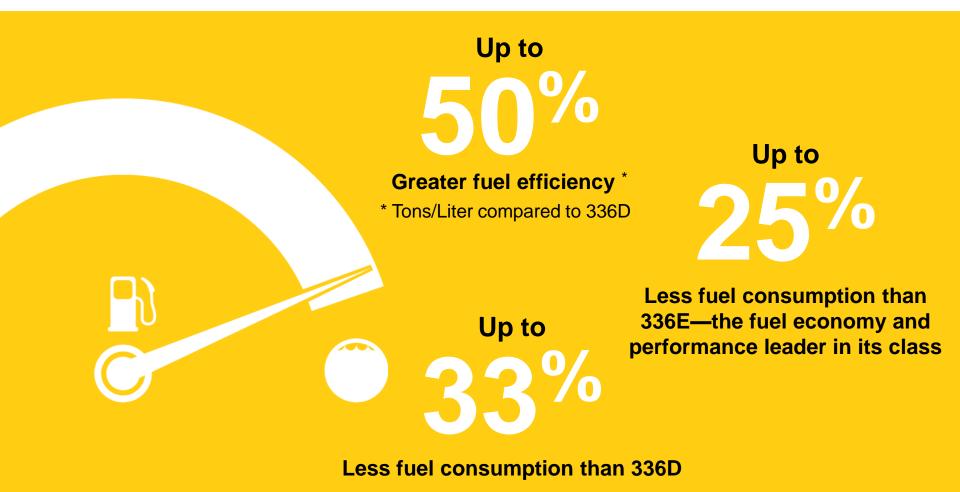




7

**Conserve** – ESP pump **Optimize** – ACS valve **Reuse** – hybrid swing

# **Greater Fuel Efficiency – 336E Hybrid Excavator**



\*Additional factors, such as operator skill and jobsite conditions can also affect fuel economy.

SAE INTERNATIONAL

# Cat D7E

10% lower lifetime operating costs

### Less fluids used

### 35%-70% lower

owning & operating costs with SystemOne<sup>™</sup> undercarriage

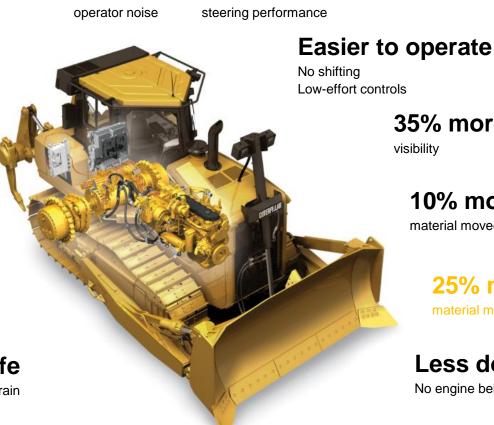
> Up to 20% less fuel consumed per hour

### Up to 50% longer life

for the electric drive train

### 60% fewer moving parts

in the electric drive train



**50% less** 

### **Grade Control Ready**

Less down time

Factory-installed AccuGrade® ARO

35% more

10% more

No engine belts

material moved per hour

25% more

material moved per gallon of fuel

visibility

SAE INTERNATIONAL

50% better

# CAT<sup>®</sup> CONNECT

EQUIPMENT MANAGEMENT PRODUCTIVITY

SAFETY

SUSTAINABILITY





Caterpillar Non-Confidential

# **Job Site Efficiency and Productivity**

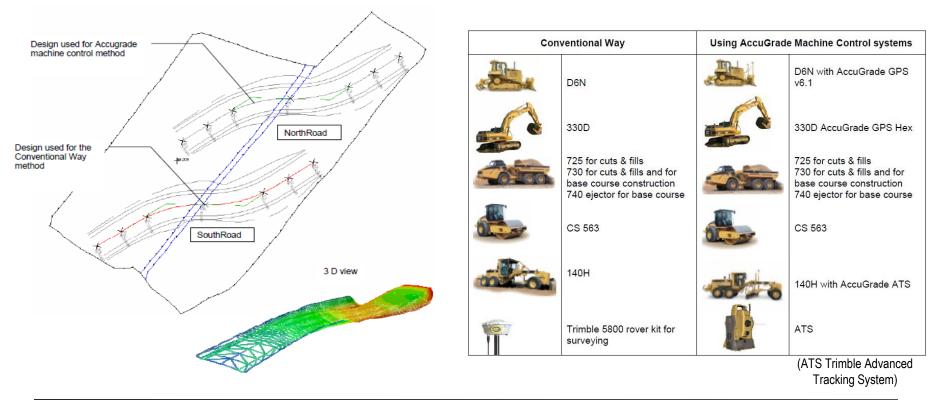
# Reducing Emissions by Focusing on Fuel Efficiency Increases at the Site Level

### **Cat Connect Technologies**

LINK	GRADE	COMPACT	PAYLOAD	DETECT	REMOTE CONTROL
ACCESS MACHINE	IMPROVE GRADING	ACHIEVE AND	MEASURE MATERIAL	ENHANCE JOBSITE	OPERATE EQUIPMENT
DATA TO INCREASE	ACCURACY WHILE	DOCUMENT CONSISTENT	WEIGHTS AND OPTIMIZE	AWARENESS TO	FROM SAFER
JOBSITE EFFICIENCY.	CUTTING COSTS.	RESULTS.	PRODUCTIVITY.	MINIMIZE RISK.	LOCATIONS.

# Machine Control and Guidance Provides Improved Productivity and Efficiency

Two identical roads were built, one using "conventional" methods with stakes, and the other using Machine Control and Guidance. AccuGrade Machine Controls Systems were used on the excavator and the motor grader.



# **Results using Machine Control and Guidance**

Overall time to build Increase in overall productivity Fuel savings 1.5 days vs. 3.5 days 101%

Machine Control and Guidance, using technologies such as GPS and ATS, reduces surveying support, increases operational efficiency for earthmoving, decreases number of passes for fine grade work and reduces fuel consumption.

43%

$\odot$			Conventional Way	New Way AccuGrade	Productivity Gain
44	Staking		07:31	00:54	6:37 hours saved
TO	Bulk	D6N	04:40	04:18	+9%
	Earthmoving	330D	02:23	01:53	+ 27 %
The second secon	Subgrade	D6N	03:48	01:28	+ 159 %
	grading	330D	02:56	02:43	+ 8 %
<b>B</b>	Base Course grading	D6N	02:24	00:53	+ 172 %
	Base course fine grading	140H	01:49	00.32	+ 241%
Total					+ 101%

Additional Head count		Conventional Way	Conventional Way New Way	
-	Foreman	Full Time <b>24:32 hours</b>	Full Time <b>11:50 hours</b>	Half time
	Operators (x4)	98:08 hours	47:20 hours	Half time
	Surveyor	18:14 hours	00:54 hours	95 % of time saved
	Worker	18:14 hours	-	1 person less

Accuracy		<b>Conventional Way</b> % in Tolerance of ± 3 cm	<b>New Way</b> % in Tolerance of ± 2 cm
Ť	Subgrade	35%	86%
	Base course	45%	98%

		L				
		Conventional Way		New Way		Productivity Gain
	Passes	Earthmoving Sub Fine Grading Base course	156	Earthmoving. Sub Fine Grading Base course	46	+ 30 % + 257 % + 239 %
		Total 210 I	632	Total 136 I	306	+ 107 % 35% saved
		Earthmoving Base course	234 74	Earthmoving Base course	176 69	+ 32 % + 7 %
	<b>11</b>	Total Earthmoving Base course	308 31 9	Total Earthmoving. Base course	245 23 8	+ 26 %
		Total	40	Total	31	+ 29 %
		231 I		123		47% saved
	Passes	Base course	62	Base course	17	+ 265 %
		22		7		68% saved

# Thank you!



