TO OUR READERS,

The cover photo for this edition of The Edge shows ESCO service technicians in Brazil, where ESCO’s mobile repair and maintenance teams have become an important service for our mining customers. The Brazil supply and service facility has five trucks that routinely travel to the Sossego and Onça Puma mines to tackle such jobs as bucket, truck body, and stick and boom repair.

But it’s not just in Brazil where ESCO’s mobile service units help customers reduce machinery downtime, save money and maintain safety. ESCO is increasing the number of mobile service teams in Brazil, Australia and North America and planning to grow the service in other markets.

ESCO has built its reputation on designing and manufacturing innovative products. As such, ESCO has always consulted with its customers to ensure that our products work to their maximum efficiency. We’ve expanded that offering with our supply and service sites.

These roving teams of skilled technicians are yet another example of ESCO’s efforts to improve its products and service offerings. On any given day, ESCO’s mobile service teams around the globe are helping our customers stay productive. You can read how we do this on page 12.

Also in this edition, we celebrate our 50th anniversary in Europe. Three longtime employees reflect on ESCO’s evolution and expansion in that part of the world. You’ll also read how our first dealer in Europe learned of ESCO while playing in a bocce ball tournament.

You’ll get a closer look at ESCO Hydra, the underground mining company we purchased last July. ESCO Hydra marries two great names in the mining industry.

Finally, Steve Pratt reflects on his 40-year career after his retirement in December as ESCO’s CEO. Steve, however, won’t completely leave us as he’ll remain active in the company as Chairman of the Board.

Enjoy,

Cal Collins,
President and CEO
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AROUND THE WORLD

Mexico
ESCO Guaymas will be expanding production capacity this fall when a new vacuum furnace is delivered. The Retech vacuum furnace, a state-of-the-art machine, will enable TT Mexico to increase production of core products, including small to medium turbine blade castings. The furnace is scheduled to arrive in September.

Chile
The first heat at ESCO’s newest foundry took place in March, completing a critical step in expanding needed capacity. The foundry, just outside Santiago, Chile, is a joint venture between ESCO and Elecmetal. Andy Rowzee, GM of foundry operations for Chile, Newton and other sites, said the plant, which is approximately 202,000 square feet, will undergo a trial tooling and proving process during the second quarter. Production is expected to begin in July.

United Kingdom
The Sheffield Chamber of Commerce in the United Kingdom honored ESCO Hydra in January with its top annual award, the Sheffield Chamber of Commerce & Industry Outstanding Business of the Year award, and the P&A Receivables Excellence in International Trade Award. Hydra’s main office is in the Sheffield area.
**Russia**

ESCO continued its expansion into the Commonwealth of Independent States in January with the opening of an office in Moscow. Igor Vladimirov, regional manager of CIS at ESCO EAMER, heads the office and has hired a chief accountant. An inside sales specialist will also be hired. The office will support the region’s sales manager and district managers. The office will focus on selling ESCO’s core products and developing sales of expanded core products, like crushing, blades and UWS.

**South Africa**

An ESCO Supply & Service site in South Africa was opened in late February to serve the North Cape region. The first phase of the operation involved the hiring of a branch manager, administrative clerk and warehouse foreman. The warehouse opened in March. A field team and sales person will be added to the staff to service the iron ore, manganese and lime mines in the area. ESCO’s Ground Engaging Tools and crushing are currently the only offerings from the location, but UWS and blades will be added in the future.

**Indonesia**

A grand opening is scheduled for June to celebrate the arrival of ESCO offices in Jakarta and Balikpapan. The Jakarta office is the latest to open in Indonesia. New employees continue to be hired to market ESCO’s products to companies in the region.
EMPLOYEE VISION REDEFINED
ESCO HYDRA
NEW DIVISION EXPANDS COMPANY’S GLOBAL REACH

“THIS ACQUISITION ... POSITIONS ESCO FOR CONTINUED EXPANSION ...”

CAL COLLINS
ESCO CEO AND PRESIDENT
The story sounds too perfect.

A venerable company of 46 years sees revenue drop as its primary market is strangled by global forces.

A group of managers believe they know how to save the company and buy out the business.

The new owners implement their plan to great success.

The risk is rewarded when the company is acquired by a business with similar DNA.

That, in a nutshell, is the story of how ESCO Corporation bought Hydra Mining Tools International of the United Kingdom in July 2011 and formed ESCO Hydra Mining Division. The sale combined two brand names that carry significant weight in their respective fields.

ESCO is recognized for its almost 100-year history of designing innovative products for a number of markets, primarily the construction and above-ground mining industries. Hydra, the world’s oldest manufacturer of shearer drums, is recognized for its design and quality of those drums and cutting systems for underground mining.

“This acquisition opens the door for ESCO into the fast growing Chinese underground coal mining markets and positions ESCO for continued expansion into established underground coal markets in the U.S. and Australia,” said Cal Collins, ESCO’s president and CEO.

The deal will allow ESCO Hydra to leverage the expertise and resources of the overall organization to continue its legacy of producing top notch products in a market that complements ESCO’s overall strategic plan. It’s a deal that a few years ago might not have been possible.

Hydra was suffering from years of decline due to a depression in the United Kingdom’s deep coal mining industry. A group of managers, who disagreed with decisions being made by top executives, bought out the company in 2000, giving the new entity the Hydra name. The new management team focused on export markets in China, Australia and the United States. The plan worked as international sales increased 205 percent in the ensuing 11 years and now account for almost 75 percent of total sales.

Ermanno Simonutti, general manager for the new division, said ESCO Hydra differentiates itself through its advanced cutting systems, and being the only manufacturer in the world that offers wet and dry conical and radial shearer drums. The drums are built with a bespoke design that lets ESCO Hydra tailor the cutting systems to a mine’s specific needs.

“Every longwall face is different so the geology of each mine is considered to maximize productivity and safety,” Simonutti said.

Hydra didn’t miss a beat in the transition, finishing 2011 with another record year of orders, sales and profitability. The Sheffield Chamber of Commerce, where ESCO Hydra’s headquarters is located, presented ESCO Hydra in January its top annual award, the Sheffield Chamber of Commerce & Industry Outstanding Business of the Year award, and the P&A Receivables Excellence in International Trade Award.

Hydra is targeting China and Russia, where mine expansion is occurring, as key regions for its products.

ESCO Hydra’s longwall shearer drums, shown above at work, are tailored to fit the specific needs of each mining customer. Hydra designed its first shearer drum 40 years ago and has improved the design and performance since then to reach today’s version pictured in the inset photo.

ESCO Hydra Quick Facts:

- Locations in the UK, China, US
- Hydra Shearer Drum Coming to MINEXPO 2012

“These markets will offer significant growth opportunities in the future,” said Simonutti.

Engineers demonstrated their ability to adapt and be innovative in 2011 when they built the world’s largest and heaviest split radial shearer drum for a customer in China. The drum measured 3.2 meters (10 feet) in diameter and weighs 10 tons. To do this, ESCO Hydra had to design and build manipulators capable of creating a drum to those dimensions.

By meeting customer requests, like with the drum earmarked for China, ESCO Hydra was able to increase orders by 47 percent and see operating profits hit record levels in 2011.

“We have raised the bar to a new level in technology, product quality and customer service,” Simonutti said.
Jack Rickey, a global product manager for dredge at ESCO Corporation, and Brad Bernhart, an ESCO engineer on the dredge team, stood on the back deck of the dredge Quibian 1 in June 2011 as an ESCO hard rock cutterhead was lowered into the Panama Canal.

The brown water turned frothy white before the cutterhead began chewing away at the canal bottom, dislodging chunks of rocks, some the size of small boulders. The rocks, sucked up by the dredge’s powerful pump, banged against a metal tube as if being tossed around a giant washing machine.

The Quibian is the newest dredge in the arsenal of equipment the Panama Canal Authority or ACP is using in a $5.25 billion, multiyear project intended to expand and modernize the crucial shipping channel. The access points to the Atlantic and Pacific oceans are both being widened and a third set of locks is being built near the Pacific entrance.

The improvements are needed to increase the lock size to handle the larger Post-Panamax ships, which have a maximum load of 12,000 containers compared to the current ship size that has a maximum load of 5,000 containers.

ESCO cutterheads are spread across the globe working in places like Bahrain, Qatar, Mombasa and Australia. The work in the Panama Canal, however, is unique because of the canal’s floor and the constant flow of marine traffic. Container and cruise ships are given the right-of-way in the canal, forcing dredges to constantly stop work and move out of the way.

The Quibian was designed and constructed by IHC Merwede of the Netherlands. ESCO designed the cutterheads to perfectly match the newly christened ship. It’s not the first time the port authority has turned to ESCO. The company’s older dredge, the Mindi, also uses an ESCO cutterhead, albeit an older model. ESCO’s work in the canal dates back decades when shovel dippers, clamshell buckets and rigging products were first introduced. The first ESCO cutterheads arrived in the late 1980s.

“The cutterhead for the Quibian reflects the evolution of dredge design for improvement of performance,” said John Kreitzberg, an engineering team leader at ESCO.

The technology and pairing with the Quibian was tested immediately as the canal authority sent the dredge to the Gaillard Cut, also known as Culbera Cut. The narrow passage, which is an extension of the Rocky Mountain Range, is nothing but hard rock that often requires drilling and blasting to loosen the material before dredging begins. It’s been a
proving ground for ESCO engineers for years.

“The Gaillard Cut would fall into the category as one of the most difficult places where ESCO dredges,” Kreitzberg said.

Kreitzberg, who has been with ESCO’s dredge department off and on since 1972, said the cutterhead on the Quibian benefits from all that ESCO has learned from years of working in the canal and other parts of the world.

The first major improvements in ESCO’s cutterhead design came shortly after Kreitzberg joined the company. At the time, ESCO began building cutterheads so the geometry and the point orientation were custom fit to a particular dredge.

The introduction of CAD programs allowed ESCO to make significant leaps in the 1990s that further improved the geometry and tooth orientation. The Quibian represents the latest iteration in that synchronicity between dredge components and the ship.

Kreitzberg and Rickey believe the next jump in cutterhead evolution is on the horizon as ESCO seeks to work directly with ship manufacturers, who are undertaking their own age of innovation. Rickey said manufacturers are creating larger vessels that are more powerful, self-propelled and self-contained. These ships are capable of traveling under their own power anywhere in the world and carry the equipment needed for a job rather than having support ships tag along.

Rickey and Bernhart plan to return to Panama this year to see how the Quibian and its three ESCO cutterheads are performing.

“We can’t wait to see how the cutterheads are performing,” Rickey said.

THE CUTTERHEAD... REFLECTS THE EVOLUTION OF DREDGE DESIGN FOR IMPROVEMENT OF PERFORMANCE

JOHN KREITZBERG
ENGINEERING TEAM LEADER

(From top left, clockwise) The dredge Mindi has used ESCO cutterheads for years and is one of the older dredges working in the Panama Canal. ESCO engineers Jack Rickey and Brad Bernhart visited the newest dredge being used in the canal to examine the wear on an ESCO cutterhead. New points were attached to the cutterhead during the June 2011 visit. Bernhart discusses the dredge performance with Quibian Captain Jay Gibson.
Always keep the big picture in mind.

The advice still resonates with Steve Pratt, probably because it came from Hank Swigert, ESCO’s President and Board Chairman. Pratt had just joined the Portland manufacturing company and Swigert took time to encourage his new and promising employee.

“I took it to mean be visionary, think outside your box but with a measured stick,” Pratt said.

The philosophy served Pratt well during a 40-year career that ended with his retirement on 31 Dec 2011. Pratt, who will remain active with the company as chairman of the board, oversaw ESCO during a period of significant growth and transformation.

ESCO’s current workforce of more than 5,400 is spread across the globe as ESCO has increased its presence in Latin America, Australia, Indonesia and China. The company has restructured itself so it does more business directly with customers and bolstered its service offerings. In May, ESCO filed its intent with the U.S. Securities and Exchange Commission to take the almost 100-year-old company public.

Yet when Pratt is asked about ESCO’s accomplishments during his time as CEO, those are not the milestones that immediately get mentioned. Instead, Pratt talks about his mentors and colleagues. People like Swigert, Nick Collins, Larry Huget, Gene Huey, Nick Santangelo, Jim Friese, Jack Mortensen, Tom Weber, Bill Weber, Dick Ridgley and Chuck Haney, to name a few.

“Yes ESCO is about the brand and the products, but without the people that wouldn’t be possible,” Pratt said. “ESCO is really about the people.”

ESCO’s people and its culture have always been Pratt’s primary draw to the company. He first learned of ESCO as an engineering student at the University of Washington when he met Haney. The manufacturing executive took an interest in the young man from Clarkston, Wash. Haney shared Pratt’s love of the outdoors and used that connection to begin recruiting him.

Pratt graduated from the University of Washington with a degree in mechanical engineering, but wanted to work with people rather than systems. So he set his sights on getting into one of the country’s top 10 MBA programs. Plan B was to find a job if that failed. The University of Chicago, the Wharton School of the University of Pennsylvania and the Tuck School of Business at Dartmouth all accepted Pratt into their programs. Pratt chose Wharton.

The small town kid was headed to the East Coast. Haney kept in touch, writing letters and making a point to meet Pratt whenever he came home for visits. Pratt used what he learned about ESCO from those discussions as a benchmark against other companies and Wall Street banks he was becoming acquainted with while at Wharton. The insight led Pratt to conclude that he didn’t want to work for a company where he’d get lost in the crowd. ESCO encouraged development.
of its employees and was small enough to be able to recognize and promote from within.

Plus, “they made something that was tangible,” Pratt said.

The courtship paid off for ESCO when Pratt was hired after graduating from Wharton. Pratt started on the production side and after a short period was sent to Danville, Illinois, where he oversaw purchasing, shipping and receiving. He developed a production planning system that caught the eye of leaders in Portland, and after a few years they brought him back to headquarters to give him leadership experience as superintendent of maintenance.

“I was 26,” Pratt said. “There were people working for me who had been at ESCO for longer than I was alive.”

Pratt bridged any age difference by meeting individually with everyone in the department to make a personal connection. It was a method Pratt repeatedly used throughout his career.

In 1978, Pratt, who was 31 at the time, was promoted to plant manager for ESCO Newton.

“It was the second hardest move to make,” Pratt said. “The first was coming back from Mississippi to Portland. My wife and kids had so many friends there. They still keep in touch with them.”

Rapid advancements confirmed to Pratt that coming to ESCO was the right move. He knew in graduate school that he wanted to run a company someday. ESCO was the right size, was headquartered in the Pacific Northwest and had an executive team that was going to see significant turnover during Pratt’s time at the company.

Pratt said life is filled with decision points like what to do after high school or who you pick as a partner in life.

“For us, a huge point was where to work,” he said.

Pratt’s promotions continued, rising to Vice President of Manufacturing, President of the then Proprietary Products Group, Executive Vice President and Chief Operating Officer just prior to being named CEO. One of Pratt’s earliest initiatives as CEO was to restructure ESCO, removing a hierarchical approach in favor of a system that is based on teamwork across departments.

“Steve provided the leadership for transforming the culture with his vision and commitment to ‘One ESCO,’ where respect and teamwork are expected,” said Larry Huget, retired ESCO COO.

There were the inevitable setbacks. ESCO bought a small company that produced a hydraulic hammer, entering a market the company didn’t fully understand. The division was eventually closed. A similar expansion occurred when ESCO created the Integrated Manufacturing Group (IMG). Pratt said in hindsight the markets and technologies were too far afield from ESCO’s expertise. ESCO sold IMG in 2006, a move that included removing the company’s logo from IMG buildings.

“I hated letting them (the employees in IMG) down,” Pratt said. “But it needed to be done for the parent company.”

The specter of failing people or the company was always close to the forefront of Pratt’s mind, just as it likely is for any CEO. Succeeding means not letting that pressure paralyze you. Pratt instead focused on keeping his commitment to Swigert to always keep the big picture in mind.

“I enjoyed putting a team together, working with customers, suppliers, everybody in that collaborative nature,” Pratt said.

In Pratt’s view, that work culminated in some of the company’s most significant advancements including the creation of a governance process that will allow ESCO to make a smooth transition to a public company. He also cited the company’s commitment to succession planning, which has allowed ESCO to groom future leaders and seamlessly move them into place as senior executives retire.

In November, Pratt attended his last board meeting as CEO of ESCO.

“I’m thankful that I crossed paths with ESCO,” Pratt told the board. “The ESCO family has meant so much to my wife, daughters and me.”
TEAMS OF TECHNICIANS VISIT MINE SITES TO KEEP CUSTOMERS PRODUCTIVE AND SAFE
On any given day, ESCO Corporation dispatches teams of skilled technicians to some of the most remote mine sites in the world with one mission – minimize machine downtime for each customer.

A simple goal, but one that might not be associated with ESCO, which built its reputation on working closely with its customers to engineer innovative construction, dredge and mining equipment. But company thought leaders figured who better to repair ESCO’s products than ESCO trained technicians.

“It just made sense for us to take our expertise and bring it directly to our customers,” said Jon Owens, President of ESCO’s Engineered Products Group. “This way they get our great products coupled with expert service that keeps them productive and safe.”

In Australia’s Bowen Basin, the mobile service team based out of Mackay travels three to five hours one way to call on mine operators. Ten thousand miles east in Carajas, Brazil ESCO has more than 60 employees providing maintenance and service work under a contract with Vale’s Sossego copper mine. Finally, a 4,600 mile journey northwest lands you in Phoenix, Arizona. where ESCO technicians service mines and a recycling plant in the area.

The mobile service teams are essentially a traveling repair shop. Each region modifies a 5-ton truck, outfitting it with welding equipment, tools, products and anything else the team needs. The key selling point is that each location customizes its truck and services to fit the needs of customers in very different mining clusters. The success in Australia, Brazil and North America has customers in other markets asking for the service to be
“ESCO MOBILE WAS A GREAT INITIATIVE. WE’VE NEVER HAD ANYTHING SIMILAR BEFORE.”

Alan Rocha
VALE MINE SUPERVISOR

An ESCO mobile service crew on a visit to Peabody’s Lee Ranch mine in New Mexico performed numerous tasks, including an inspection of teeth.
expanded into their regions.

In Brazil, five trucks travel to the Sossego and Onça Puma mines to tackle such jobs as bucket, truck body, stick and boom repair, and new truck body assembly. José Rogério de Paula e Silva, the managing director for ESCO Brazil, said his vision is to provide his customers with speedy repairs, quality work and all done in the safest environment.

“ESCO mobile was a great initiative,” said Alan Rocha, a supervisor for Vale. “We never had anything similar before.”

The added resource has given Vale a number of maintenance options that get repairs done faster and keeps machines running properly to increase safety overall on the mine site.

Greg Williamson oversees ESCO’s mobile operation in the Bowen and Queensland Coal Basins in Australia. Eight trucks work out of Mackay and Kingaroy, which are the closest towns to key mines in the region. The trucks are outfitted with welding machines and lockers that hold everything technicians need for a job, allowing them to stay on site for several days.

The impact of ESCO’s mobile service is best illustrated by one customer in the Bowen Basin. Williamson said the mine is a five hour drive from the nearest ESCO facility. In the past, maintenance or repair work often meant shipping equipment to ESCO’s Mackay or Kingaroy facilities. The mobile service teams eliminate that transport and drastically reduce the amount of money a company can lose on an idle machine.

“It’s an immediacy that really cements that the service we deliver is valuable,” Williamson said.

There is a secondary benefit as well. The repair and maintenance work handled by ESCO on site frees mine employees to tackle other projects.

Williamson said ESCO is enhancing the impact of its mobile operation by embedding employees with mine companies, a common practice in the area. By having a set of eyes on site, ESCO will be able to better anticipate a customer’s needs and further reduce the lost time mine operators experience due to equipment problems.

The North American market takes the specialization to an even greater level as you travel from the coal mines in Montana, New Mexico and Texas to hard rock and copper mines in Arizona.

Marty Hockett, ESCO’s field service project manager for North America, said the mobile programs in the region are particularly focused on creating services that best fit with specific customers and markets rather than developing a cookie cutter plan.

In Phoenix and Farmington, New Mexico, the team has created an exchange program with bulldozer moldboards. Hockett said they bought three used moldboards and are installing those on customer machines while a customer’s moldboards are then brought back to the local ESCO branch for repair. The swap virtually eliminates downtime.

“The customers are very excited and mines in Gillette, Wyoming and Kilgore, Texas are very interested in creating a similar program in their areas,” Hockett said.

The Phoenix office also found a way to complement sales of protective components in the Universal Wear Systems line by developing a method for applying those components in the field. The field installation of carbide overlay is particularly useful to ESCO’s dragline customers.

“It’s a time saver in the fact that they don’t have to take the dragline off and send it in,” Hockett said.
ESCO’s first European office, pictured at top, was located in St. Priest, France because of its central location. Marie Isabelle Paquelet, in the blue dress, and Alphonse Pignol, to her right, joined another couple in celebrating Christmas in 1971. Attendees to the shareholder meeting in 1973 gathered among some of the product offerings.
The picture in the 1963 edition of ESCO Corporation’s company magazine, The Ladle, shows eight men standing around the company’s first dipper built in France. Their smiles seem to convey a sense of accomplishment, camaraderie and optimism.

Just below the photo is a story that recounts ESCO in 1962 opening its European headquarters in Saint Priest, France, a suburb of Lyon. The location was described as ideal, “centrally located to accommodate ESCO’s inroads into the European market.”

The optimism holds true today as ESCO celebrates 50 years of operating in Europe. European leaders celebrated with customers in April during the INTERMAT show in Paris. An open house is scheduled for this fall at the Frameries, Belgium location.

In the five decades ESCO has maintained a presence in Europe, the office has evolved, trading its independence for integration into ESCO’s global operation. Sales have risen dramatically in the last decade, particularly as the region has expanded its sales territory, adding South Africa, Russia and the Middle East.

Thierry Million, Laurent Reminiac and Philippe Kaskarian, with a combined 78 years of experience with ESCO, have witnessed firsthand the evolution of ESCO in Europe.

This is the ESCO Europe story in their own words.

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**IN THEIR WORDS:**

**Thierry Million**

Senior District Manager

I've been with ESCO for 34 plus years. When I joined we had heat treatment in France and Belgium. We received castings from primarily our French licensee and we'd finish the products. Belgium received rough and raw castings from the U.S., mainly mining products that were shipped to Africa. In the early 1990s, the Belgium and French plants were closed. At the time there were two distribution centers, one in Belgium and another in France. In 1996, it was decided to keep only one distribution center. Belgium was chosen at the time because of its central location in Europe. It was also chosen as the European headquarters. From 2001 to 2005, we doubled our sales. It increased dramatically. This is because of our expanded territory. The ESCO name is very well known in Europe, very famous.

I'm most proud of the launch of the SuperV in 1995. That was a very big success because we had a full range of product and the product was great.

Over the years we've gone from a European managed company owned by a U.S. company to a global company with headquarters in the U.S.

**Laurent Reminiac**

General Sales Manager

I started in 1991 as a District Manager for Southeast of France.

When I started, we were mostly selling in Western Europe. There were no sales in Russia or the Middle East and very few in Africa. The structure was different.

Today in ESCO Europe, we're really a sales and marketing company and sales are up seven times from 20 years ago. The potential for growth is huge, particularly in Africa, Russia and new countries in Eastern Europe.

In just the last two years, we've made big progress in establishing a Russian presence with a Russian person running the office. An African will be in charge of the South Africa office soon. That's a sign we're becoming global.

It's now been 21 years with ESCO. I was never thinking about staying that long before. I've never stayed at a company for more than three to four years. I've stayed for the challenge. That's the most important factor. The company is able to give you challenges. They trust you, they give you responsibility. The company wants you to grow. I'm still enjoying this challenging environment.

**Philippe Kaskarian**

South African Regional Manager

I started in 1989.

I worked at ESCO France for a year as a young engineer. I was hired to make sure that the product was being made to ESCO specifications. After a year, I moved to Portland and spent about four years working in engineering and in the plants. There was a plan to buy a plant in Europe and send me back. The plan failed, but in my mind I was ready to move back to Europe. So I went back to Belgium.

I've seen a lot of changes over the years. ESCO Europe used to be a very independent entity. Then very quickly it seemed you could see year after year a global approach taking shape. A lot of processes were streamlined and formalized.

There really has been two periods for ESCO in Europe. You have the years when the French office was headquarters and then afterward. It is two different eras.

Fifty years in Europe means it’s interesting. It means a lot of presence and recognition of the market. It’s a great achievement.

I relocated to South Africa in August. I’ve been working on this project (opening the South Africa office) for the past 18 months. I can appreciate the entrepreneurship of the people who opened the ESCO Europe office 50 years ago.
Brothers Hoby and John Brenner, along with their father, Frank, bought Cutting Edge Supply in 1981 strictly as an investment. At the time, John Brenner was a student at UCLA and a world class shot-putter and discus thrower. Hoby Brenner was starting his rookie season as a tight end with the New Orleans Saints of the National Football League.

Today, the Brenner brothers have pushed Cutting Edge Supply, which is headquartered in Colton, Calif., to Top 20 ESCO Dealer status since 2002. The company specializes in repairing construction equipment using ESCO’s Ground Engaging Tools as well as selling manganese and crushing products.

Cutting Edge’s territory includes six offices and 125 employees in California, southern Nevada and Arizona. Hoby Brenner said Cutting Edge’s customers are primarily in the housing industry, making the last three years difficult as equipment utilization hit lows of 16 percent. The market started to improve in July 2011 and Brenner said the utilization rate increased to about 75 percent.

Hoby Brenner said the company has gone from an investment into a business the two brothers enjoy operating. The division of labor broke down as the personalities of the two men. John Brenner handles the office operation and employees. Hoby Brenner oversees outside sales and the shop.

Cutting Edge initially began in 1950 as the Black Diamond Blade Company. Black Diamond manufactured cutting edges for construction equipment in the Los Angeles area and formed Cutting Edge to be the retail arm of the business.

By the late 1970s, the prior Cutting Edge owners were absentee landlords who were looking to sell the business. Frank Brenner used the same CPA as the previous Cutting Edge owners and learned through the accountant that the construction equipment company was for sale.

John Brenner initially started working at Cutting Edge part time when he wasn’t competing. He suffered a major knee injury in 1988 and began working at the business full time. Hoby Brenner followed in 1993 after retiring from professional football.

At the time the Brenner family bought the business, Cutting Edge manufactured the blades it sold. But a study they conducted a year later demonstrated that it made more sense to sell blades made by Pacal. The shift to becoming a Pacal dealer, however, put them in competition with ESCO. It wasn’t a position John Brenner especially enjoyed.

“I clearly recall when in the field if I saw green (ESCO) I was shaken to my core as I knew it was a high quality product and most likely was also a proprietary product, and unless I could get the customer to convert, I was dead in my tracks,” Brenner said.

The tables were turned when ESCO bought Pacal in 2000. The deal meant Cutting Edge instantly became an ESCO dealer.

“Today, we’re gladly changing customers to ESCO green,” said the Brenner brothers. “Having had that firsthand experience of competing against ESCO, it’s a very comforting feeling to being on this side of the competition.”

Hoby Brenner, left, and John Brenner, co-owners of Cutting Edge Supply, have been recognized as top ESCO dealers for years. The brothers initially competed against ESCO when they bought the California-based dealership.

“TODAY, WE’RE GLADLY CHANGING CUSTOMERS TO ESCO GREEN.”

JOHN BRENNER CO-OWNER, CUTTING EDGE SUPPLY
A young Giorgio Novara was taking a break from a bocce ball tournament in Lyon, France in 1962 when he read in a newspaper about ESCO Corporation opening its European headquarters in nearby Saint Priest, France. The story piqued Novara’s interest when he read about ESCO’s innovative ground engaging tooth system.

Novara, the owner of the Giorgio Novara s.r.l. construction company in Torino, Italy, became even more interested when later in the tournament he met an ESCO employee. That employee introduced Novara to Ed Hewitt and Dan Babbit, both of whom were instrumental in establishing ESCO’s European presence. Novara signed on as ESCO’s first European dealer by the end of the tournament and left France with the back of his car loaded with ESCO points.

Fifty years later and Novara remains a fan of ESCO products and the fact that his company is celebrating its golden anniversary as an ESCO dealer.

“ESCO is the calling card for my business,” Novara said. “It represents quality and durability.”

Aaron Lian, managing director for ESCO Europe, marvels at the partnership between ESCO and Novara.

“Giorgio has been a champion for ESCO and his 50th anniversary is a testament to the longevity of both companies,” Lian said.

The dealership’s milestone is the latest accolade bestowed upon Novara. He was the first business man in Italy to operate excavators imported by the U.S. Army to help with the reconstruction following World War II. At 30, he was named a Commendator of Italy, an honorary title.

In ESCO, Novara said he found the perfect combination for a successful business – a superior product coupled with the customer service offered by his 26 employees. Novara’s business has grown from the original Torino location to include offices in Savona, Firenze and Piacenza. Novara considers the Piacenza branch a landmark because of its ability to build or repair rock buckets. His sons, Ferruccio and Fabrizio, manage the company today.
EXPERIENCE INNOVATION

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Born in Danville, Ill., Pat Liggett graduated from Westville High School in Westville, Ill. He then received degrees from Danville Community College and Chapman University in Orange, Calif. A U.S. Air Force veteran, Pat joined ESCO Danville as a staff accountant. He transferred to ESCO Newton where he began as an office manager and accountant. Pat is currently the accounting manager in Newton. Pat and his wife, Patti, live in Newton. They have four children, Tori, Jessi, Stephen, and four grandchildren.

Gerald Vanderpoorten was born in Illinois and joined ESCO Newton as a draftsman. He’s been a liaison engineer, fabrication foreman, manager of inspection & IE, a maintenance manager, and team lead for mining expendables before taking his current position as a lead engineer for the mining expendables team. His son, Jason, is a maintenance supervisor at ESCO Newton. Gerald enjoys gardening when not at ESCO. He lives in Newton with his wife, Christine. The couple have two children, Rebecca and Jason, and six grandchildren.

Kent Burroughs was born in Newton County, Miss. and attended Decatur High School in Decatur, Miss. After graduation, Kent attended East Central Community College in Decatur. He worked at a local chair manufacturer before coming to ESCO Newton as a bucket builder. Kent has worked as a core maker, a repair welder and in core utility before accepting his current position as a maintenance mechanic. He lives in Decatur.

Mark Kaiser was born in Upper Sandusky, Ohio. Mark Kaiser attended Wynford High School in Bucyrus. After graduation, he spent one year at Tiffin University in Tiffin, Ohio and worked on the family farm before joining ESCO Bucyrus as a helper. He is currently a mill operator. Mark enjoys working with his coworkers. Mark enjoys wood cutting and gardening when not at ESCO. He lives in Nevada, Ohio with his wife, Tammy. The couple have two children and six grandchildren.

Ron Dobias was born in Bucyrus, Ohio. Ron Dobias attended David Douglas High School in Portland, Ore. After graduating, he attended the Oregon Institute of Technology in Klamath Falls, Ore. and Portland State University, graduating with an AS in mechanical engineering technology. Ron worked at a manufacturing company before joining ESCO Portland as an engineering draftsman. He is currently a design engineer on the dragline and cable shovel products team. Ron lives in Beaverton, Ore. and likes to read, hike and camp. He has three children and three grandchildren.

Dave Ruth was born in Bucyrus, Ohio and attended Bucyrus High School. After graduation, Dave worked a number of jobs, including building grave vaults, before he was hired at ESCO Bucyrus to operate a punch press. He’s held numerous positions, including operation of CNC drills and CNC burners, before accepting his current position in the forming department. When he’s not at work, Dave likes to garden and work on his antique tractors. He and his wife, Nora, live in Galion, Ohio. The couple have two children and three grandchildren.
Born in Seattle, Wash., Ken Meyer moved to Portland, Ore. and graduated from Lincoln High School. He attended the University of Puget Sound in Tacoma, Wash. and spent three summers working in the doghouse before graduating with a degree in business administration. Ken joined ESCO Portland as an inside sales administrator. Ken has held numerous management positions before accepting his current position as business manager for global accounts. Ken and his wife, Nancy, live in Portland. Along with their son, Mark, the couple have a daughter, Laura Durrett.

Tim Collins attended Hickory High School in Hickory, Miss. After graduation, he attended East Central Community College in Decatur, Miss. Tim's first job at ESCO Newton was in the molding utility area. He is currently a maintenance mechanic. Tim lives in Newton.

Born in Canastota, N.Y., Patricia Delaney attended Chittenango High School before coming to work in the wax room at ESCO Syracuse. She is currently a die grinder and likes working with the people at ESCO. Two nieces, Theresa Clark and Jesse Puchales, and nephew, David Bumpus, also work at ESCO Syracuse. Patricia enjoys playing bingo during her off hours. She lives in Wampsville, N.Y. with her husband, Dennis. The couple have four children and nine grandchildren.

Rob Kirkpatrick was born in Eastlake, Ohio and attended South High School in Willoughby, Ohio. After graduation, he attended Lakeland Community College in Kirtland, Ohio and the Auburn Career Center in Painesville, Ohio. His first job at ESCO Cleveland was as a wax injector. He has since worked as a maintenance technician, ceramic core processor and manager and core department team leader. He currently works in core inspection and receiving and is the IT site manager. Rob and his wife, Tammy, live in Mentor, Ohio. The couple have two children.

Bill Matsko works in the X-ray area at ESCO Cleveland. He enjoys fishing and boating when not working. Bill and his wife, Shelly, have three children, Jamie, Mark and Bobby.

Bruno Pesch was born in Mönchengladbach, Germany and attended BWFA Cologne. After graduation, Bruno attended DAA Düsseldorf. His first job at ESCO was as a sales administrator and he's also been a district manager. He is currently the regional sales manager for Europe North out of the ESCO GmbH Germany office. Bruno likes to swim and read to relax. He and his wife, Weronika, live in Mönchengladbach. The couple have two children, Sascha and Patrick, and two grandchildren.

Roosevelt Wheaton graduated from Newton High School in Newton, Miss. and went to work at a local drug store before coming to ESCO Newton as a logger. He has also worked as a welder, coresetter and in the shakeout area. He currently is a Herman coresetter. Roosevelt lives in Newton.

Born in Cincinnati, Ohio, Paula Disney attended McNicholas High School in her hometown. After graduation, she attended the University of Cincinnati and earned a degree in industrial engineering. She joined ESCO Covington as an industrial engineer. She's held numerous positions in the company and is currently the supply chain manager for Australia. She enjoys her colleagues at ESCO and the company’s innovation. When not working, Paula likes to dabble in wine making and enjoys cooking, traveling, riding horses and going to the beach. She lives in Brisbane, Australia.

Born in Portland, Ore., Bob Fleck attended Wilson and Benson high schools in town before graduating. He attended Portland Community College before coming to ESCO Portland as a design engineer. Bob has been a project engineer and product administrator for the company. He currently is the senior design engineer. Bob likes to camp, fish and travel when not at work. He and his wife, Jan, live in Tigard, Ore. The couple have two children, Duane and Chris, and two grandchildren.

Born in Grass Valley, Calif., Tammy Furnish attended Nevada Union High School in Grass Valley and completed two years of classes at Warner Pacific College in Portland, Ore. Before coming to ESCO, Tammy worked as an administrative assistant for an insurance company. She first came to ESCO Portland as a temporary worker in manufacturing. She has since worked in sales and marketing before moving to her current position in the print shop. She enjoys gardening and crocheting when not at ESCO. She has two sons, Bryan and Eric. Tammy lives in Portland.

Randy Johnson was born in Walla Walla, Wash. and attended Evergreen High School in Vancouver, Wash. After graduation, Randy came to work as a grinder at ESCO Portland. He’s also worked in the ultrasonic and X-ray areas before taking his recent position as an inspector in the lower finishing area. Randy and his wife, Mary, live in Woodland, Wash. They have two children. Randy likes to golf, fish and watch the Portland Trailblazers basketball team and Seattle Seahawks football team when he’s not at ESCO.

Born in Cleveland, Ohio, David Bumpus moved to New York and graduated from Cazenovia High School in Cazenovia, N.Y. He came to ESCO Syracuse as a wax inspector. He’s since been a shell puller, chop saw operator and sandblast operator. Steve is currently a logger. He enjoys working with the people at ESCO, many of whom are relatives. Steve's wife, Charlotte, also works at ESCO. Steve likes to hunt, fish, camp and garden when he’s not working. The Niemans, who have four children, live in Erieville, N.Y.
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