

CNH Reports Second Quarter Profit

LAKE FOREST, Ill. — CNH Global N.V. recently reported second quarter consolidated net revenues of \$2.689 billion compared to revenues of \$2.894 billion last year.

When adjusted for the impact of divestitures and adverse foreign exchange rates, net revenues were essentially unchanged, as higher sales of agricultural equipment offset lower sales of construction equipment. The company's second quarter industrial operating margin rose to \$154 million from \$137 million for the same period in 2000.

On a net basis, CNH reported a second quarter profit of \$6 million, compared to a loss of \$31 million, for the second quarter last year. Earnings per share for the quarter, before restructuring, were \$.05 per share, compared to a loss of \$.20 per share in 2000, in line with expectations. Earnings per share, after restructuring, were \$.02 for the quarter. Per share results for the 2000 period are based on a lower number of shares.

For the first six months of 2001, consolidated net revenues totaled \$5.143 billion compared to revenues of \$5.502 billion last year. During the first half of 2001 the adverse impact of foreign exchange rates on consolidated net revenues totaled approximately \$220 million; divestitures accounted for a further negative impact of about \$210 million. The company's industrial operating margin for the first six months was \$245 million, compared to \$168 million for the same period in 2000.

"In spite of the significant decline in the construction equipment industry, we have achieved our objectives for the second quarter," said Paolo Monferino, CNH president and chief executive officer. "Our sales of agricultural equipment have improved substantially, particularly in North America where we have posted significant share gains both in tractors and combine harvesters."

During the second quarter, the company achieved merger-related profit improvements of approximately \$66 million partly due to the company's initial successes in marketing its extensive product offering through its multiple distribution channels. In addition, cost savings were achieved through manufacturing efficiencies as well as reductions in material costs and SG&A expenses.

Second quarter net sales from

Equipment Operations were \$2.497 billion, compared to \$2.723 billion for the same period in 2000. Significant revenue growth came from sales of agricultural equipment in North America as the company recorded market share gains in an up market.

In Europe, the company held production and wholesale levels significantly below retail sales levels in order to reduce dealer inventory. Worldwide revenue from sales of agricultural equipment were up 5%, net of currency impact and divestitures.

In sales of heavy equipment, the CNH brands significantly outperformed the industry in both Europe and Latin America but slightly underperformed the industry in the United States. In light equipment, the company's worldwide market share was essentially unchanged, as significant share gains in skid steer loaders and other light equipment lines offset lower sales of backhoe loaders.

Market Outlook for Agricultural Equipment: Through the first half of the year, the industry in the Americas has continued to perform better than last year and somewhat better than expected, with the strongest results in the United States and Brazil. As a result, the company now expects the industry will be up by as much as five percent in the Americas for the full year. In Europe, the market has performed as expected and the forecast for the full year is unchanged: down by eight percent. Foot and mouth disease in Western Europe appears to have nearly run its course, but the possible impact of BSE remains unclear.

Market Outlook for Construction Equipment: In the second quarter, industry sales of construction equipment were down significantly in North America while Europe and Asia weakened slightly, and growth in Latin America slowed somewhat. Although further deterioration is not expected, neither is any significant recovery anticipated in 2001.

CNH Outlook for 2001: The success of the company's overall integration process is evident in the steady growth of merger related profit improvements (\$300 million expected for the full year) and the consistent improvement in the gross margin as well as the significant share gains and reductions in dealer and company inventory reported this quarter.

Pennsylvania Student Named Intern At Select Sire

PLAIN CITY, Ohio — Thomas Uber, Mercer, Pa., has been selected as the field marketing intern for Select Sires Inc., Plain City, Ohio. In this role he will work with the Select Federation's 10 member cooperatives by helping locate, fit and photograph daughters of Select's sires. In addition, Uber will assist with other marketing projects while based at the organization's headquarters office

in Plain City.

Uber is in his third year at Pennsylvania State University, State College, Pa., majoring in animal sciences with a business option. A member of the university's dairy science club, he has helped with the Nittany Lion Fall Classic sale, annual cheese-box sale and Penn State Dairy Expo. Uber also is a volunteer leader of his local 4-H club.

Uber recently finished an in-

Agco Introduces New Line Of Fendt Loaders

ATLANTA, Ga. — As a complement to its widely acclaimed Fendt tractor line, which the company introduced to North America in early 2000, Agco Corporation has released a new line of Fendt loaders.

Available in two series, Fendt loaders are tailor-made specifically for the Fendt Vario 400 and 700 Series tractors and are designed to fill two specific niches in the market.

For those looking for a custom-fit loader, Agco offers the 3S-63, designed to fit the Fendt 400 Series, and the 3S-70 model, which fits the Fendt 700 Series. Both models are built by Fendt in Germany and are available as factory installed options only. That's because unlike most loaders on the market today, the 3S Series features heavy-duty cast-iron mountings that securely attach to the tractor's cast-iron half frame.

"The cast-iron-to-cast-iron fit allows for the use of narrow, contoured brackets that permit full maneuverability of the power front axle, and provides easy access to the engine compartment and maintenance areas," says Kevin Bien, General Marketing Manager for Fendt products. "Other unique features of the 3S-63 and 3S-70 models include a hydraulic line/hose breakage safety feature that instantly locks the front loader if a line or hose should break, and a lowering control valve that provides a constant lowering speed irrespective of the load.

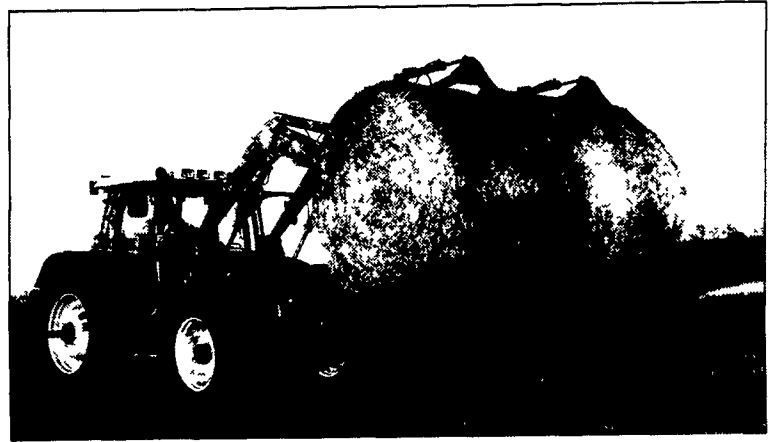
The 450 HSL and 750 HSL (Hydraulic Self-Leveling) loaders, on the other hand, are built in North America and are available as dealer-installed models for customers wishing to add a loader after the purchase. Designed to fit the 400 and 700 Series Fendt tractors respectively, the 450 HSL and 750 HSL feature a high-tensile-strength boom frame that combines reach, torque and durability. The HSL loaders' pedestal mount design also assures the same front-axle maneuverability as the 3S Series factory-mounted loaders. To top it off, a tractor-matching, powder coat finish provides added durability and appearance by providing resistance to chipping and rust.

"One of the best features about both loader series, though, is the easy mounting and removal," says Bien. "It only takes a few minutes, and no tools are ever needed."

According to Bien, much of the credit goes to the unique hydraulic multi-coupler, which groups all five hydraulic couplers into a single block coupling. The operator need only line it up and engage the locking handle. All hydraulic circuits are connected without confusion, contamination or significant oil leakage. For added convenience, the HSL models even include an integral electric third circuit plug-in connection in the multi-coupler.

Additional features found on all models include a self-leveling system that automatically maintains bucket angle, regardless of

ternship with the Pennsylvania Holstein Association, State College, Pa., where he worked with junior members, represented the association at regional meetings and assisted with marketing cattle. The son of Debra Uber, Mercer, Pa., he has been actively involved with the 60-cow herd at his home farm, Amore Holstein Farm.



Four new models of Fendt loaders provide owners of 400 and 700 Series Fendt tractors with a choice of high-performance loaders in both factory-installed and dealer-installed versions.

lift height; and a "Quick-attach" system that permits fast and easy front attachment changes.

"Fendt loader customers will also appreciate the fact that joystick loader control is already built into the tractor," Bien adds. "There's no need to add additional controls to the cab, or fumble with separate remote levers."

Using the crossgate lever located to the right of the operator seat on 400 Series tractors and in the armrest on 700 Series models, the operator has one-lever control of all loader functions. Pushbutton operation of an optional third hydraulic circuit control allows the operator to engage a grapple fork or other auxiliary attachment.

"Other features which make the 400 and 700 Series Fendt tractors the ideal loader tractors," Bien continues, "include the pressure-flow compensated hydraulic system, which ensures

increased lift capacity and fast loader cycle times, and the forward/reverse power shuttle, which can be shifted from both the Fendt multi-function joystick and a button on the steering column adjustment lever — leaving the right hand free for loader operation.

"When you add the Fendt tractor's stepless speed control, proportional crossgate control lever and combine it all with Fendt's state-of-the-art front loader technology, you end up with a loader tractor that provides unmatched performance and efficiency," he concludes. "Yet, it remains an extremely versatile machine, particularly since the loader can be easily removed."

Both loader series offer a variety of attachments for all four models, as well. They include several sizes of material buckets, two fork attachments, a round bale spear, a bale squeezer and a grapple fork.

Jennings Advances To Bid-Calling Finals

OVERLAND PARK, Kan. — In the auction industry, Billie J. Jennings of York Haven, Pa., is one of the elite among the elite — kept from the world title, international auctioneer champion, by a mere fraction of points.

The competition, the largest of its kind anywhere, was recently conducted by the National Auctioneers Association at its 52nd International Conference and Show in Boise, Idaho, July 16-22.

Only 84 of the association's more than 6,000 members mustered sufficient derring-do to enter the competition. Jennings was not only one of these, but also one of only 20 auctioneers (15 men and five women) to advance to the finals.

In the preliminary round of competition, contestants are required to demonstrate their sales capabilities, bid-calling technique, and general poise and presence by auctioning three items they've never seen before. After 10 intense hours, the field was narrowed to the 20 finalists, who then repeated the bid-calling drill following another aspect of the contest that is unique to the finals: an interview in which each contestant (conducted in isolation to prevent hearing the responses from the other contestants) is asked to respond to three questions developed by the panel of seven judges to assess knowledge, poise, ethics, professional judgment, and communications skills. All seven judges (five men

and two women) were professional auctioneers.

This year's winners were, in the men's division, Scott Musser of Kennewick, Wash., champion; Jeffrey Stokes of Edgewood, Wash., first runner-up; and Rick Musick of Eagle, Idaho, second runner-up.

In the women's division, the winners were Jill Marie Wiles of Canby, Ore., champion; Terri Walker of Memphis, Tenn., first runner-up; and Darlene Davis of Emmett, Idaho, second runner-up. (When the IAC competition began in 1988, men and women competed in one division. That was changed in 1994 when the contest was bifurcated into men's and women's divisions.)

The National Auctioneers Association's 52nd International Conference and Show has more than 1,100 registered attendees, including NAA auctioneers, their families, exhibitors in the trade show and, for the first time ever, auctioneers who are not members of NAA.

Jennings participated in numerous educational offerings at the conference and show, learning the latest developments in the marketing speciality that is auctioneering. Topics include marketing, information technology, legal issues, auction specialties, and advertising and communication, among others. The NAA label indicates, among other desirable qualities, auctioneers who have access to a comprehensive and coordinated continuing education program.