



From Pat's Desk...

Swinging into summer is only a few days away! It's such a wonderful feeling that the cold weather is behind us and we have a couple of months of enjoying the outdoors and everything summer has to offer in the warm weather!

Just a couple of reminders. There's only one more luncheon left before the summer break—June 30th, which is our annual picnic (buffet style) with the typical picnic fare of burgers and brats with all the fixings, sides and desserts. And speaking of picnics...it's been one year since the Bucyrus Club opened their doors with our June 2021 picnic! Happy 1st Anniversary to the Bucyrus Club, Skyline Catering and the Museum!

We will resume our monthly luncheons in September and October followed by our outing to the Fireside Theatre in November and our annual Christmas Party in December. Fireside tickets are sold out, but you can be put on a waiting list by contacting me. Info on the Christmas Party will be published in the Fall Newsletter.

We are still seeking nominations for the office of President, Vice-President and Secretary/Treasurer. It would be much appreciated if you would take some time to nominate a member in good standing to one of those positions. And by the way, if you so desire, you may nominate yourself for any one of these positions. We are also seeking members who are interested in becoming a Board Member. The nomination form is in this newsletter...fill it out and mail it before June 30th. The voting ballot (with all the nominees) will be published in the Fall Newsletter.

My wish for you is to enjoy all the activities this summer has to offer—it's a wonderful time of the year! Stay safe and healthy!

Pat Merkovich

Contact info:

Bucyrus® Oldtimers Association UA
Attention: Pat

P.O. Box 563, Oak Creek, WI 53154-0564
or oldtimers.newsletter@gmail.com



Caterpillar Inc. has authorized the use of the Bucyrus® Logos and Trademarks, and limited to the use for the Bucyrus® Oldtimers Association UA. Product names, logos, brands, and other trademarks featured or referred to within the newsletter and on the www.beoldtimers.org website are the property of Caterpillar® Inc. and its subsidiaries, and are used herein by permission. Any unauthorized reproduction, copying, downloading of images, or other dissemination or use of the marks is strictly prohibited.

JOIN US FOR OUR LUNCHEONS & EVENTS

Reservations are appreciated by calling
Dolores Page at (414) 768-9437 or
Pat Merkovich at (414) 617-2796.

This will enable us to accommodate all
our members and guests.

Refreshments starting at 11:30 a.m. and Food will be served at
12:00 noon **(\$15.00/person)**

All luncheons are sit-down meals except for the June picnic which is
buffet style.



SAVE OUR LUNCHEON DATES:

June 30 (picnic)
September 27 • October 26

OFFSITE EVENTS:

Fireside's "White Christmas" - November 9
Christmas Party - December 8



Happy 1st Year Anniversary

**Bucyrus Club & Event Center -
Skyline Catering and
the South Milwaukee Industrial Museum**

We always welcome anything from a short note to tell us how you are doing to a Bucyrus® story that you would like to share in a future newsletter. And the Association is still seeking the help of a member or group of members who would be willing to take on the responsibility of publishing the newsletter. Please contact us if you are interested or need more information.

WHAT HAPPENED TO BUCYRUS?



Submitted by Tim Sullivan

When I left Bucyrus in 1998, we had our best financial year in well over a decade. When I returned in 2000, the company was on the brink of its second bankruptcy in seven years. This dramatic reversal of fortune in such a short period of time was almost unimaginable. Moreover, our prime competitor, Harnischfeger, was coming out of bankruptcy with a new name, Joy Global, and a full head of steam being financially cleansed as a result of their bankruptcy.

We had a large base of installed machinery, but our parts business wasn't enough to maintain us as a viable competitor. Additionally, our limited product line wasn't performing to our customer's expectations. Finally, our private ownership by a private equity firm created its own limitations in our ability to compete effectively with public traded Joy Global.

Revenue had shrunk to less than \$300 million and we were losing money. We were forced to take dramatic action to keep the company from sliding back into bankruptcy. Employment was slashed to less than 1,000 employees worldwide. We requested and received a one-year bank holiday from our lenders which effectively gave us one-year to start making money again.

We made it through 2000 but 2001 became even more problematic after the bank holiday expired. In mid-2001 we made some very unconventional strategic moves to not only keep the company alive but more importantly to lay the groundwork to allow us to start fighting back.

The dramatic decisions of mid-2001 began to payoff and we started making money. In 2002 we decided it was time to fix our product line. Our customers had told us for decades they required more reliable machines, so we decided to benchmark with a company that knew something about reliability...Boeing. Our benchmarking with Boeing completely changed how we approached machine design and a new revolutionary path forward had been established.

The company continued to heal and by 2004 we had recovered to the point to take the company public and allow the private equity firm to exit. Although we did not become public until July 23, 2004, we were the 8th best performing initial public offering (IPO) that year. Google was number 9!

We knew this was a good start but we needed a new comprehensive strategy to provide the type of growth our new shareholders desired. The most immediate solution was to grow the product line. That prospect came about almost immediately. In late 2005 we were approached by RAG of Germany that was in the process of divesting their DBT underground mining machinery line that competed directly with Joy Global. After a prolonged period of negotiation, we reached agreement on purchasing their line in November 2006. The deal was complicated for several reasons not the least of which was DBT was 60% larger than Bucyrus. It is counterintuitive that a smaller company purchases a larger company. Our strong stock position facilitated our success. We now had a portfolio of machinery that competed head-to-head with Joy Global.

Although the DBT deal was a good start, we needed more. In the Summer of 2007, I invited Gene Berg to return to South Milwaukee so I could understand what he did during his tenure as CEO to make Bucyrus successful. Gene advised that his strategy was to grow diversified and robust product lines in both construction and mining machinery. He said that the two industries tended to

be counter-cyclical. When one was up, the other was down and vice versa. This provided stability in very volatile, cyclical markets.

After Gene's visit we commissioned an extensive market study and we found that this phenomenon was still true in 2007. Accordingly, we decided to pursue the purchase of a construction machinery line and the most likely candidate was Terex. I knew a fair amount about Terex as it was primarily the result of the acquisition expertise of Woody Baldus after he left Bucyrus in 1988. We knew each other well and we would meet periodically during the years he was acquiring assets to form Terex so I was familiar with his efforts and the product lines he was acquiring.

We reached out to Terex in early 2008 and by July 2008 we had struck a financial deal but establishing a governance structure became problematic. Like DBT, Terex was significantly larger than Bucyrus but once again, the strength of our stock allowed us with the financial wherewithal to acquire a much larger company. The challenge became, who controlled the final decisions of a combined board, the larger company or the company that wrote the check. Agreement could not be reached and by August 2008 the stock market began to crash, and the deal was abandoned.

The collapse of the market and the failure of our Terex deal caused us to rethink our strategy. We discovered during our discussions with Terex that although it made great sense strategically, we knew very little about the construction industry whereas we knew everything about the mining industry. Our lack of intimate knowledge of the construction industry created some consternation among the Bucyrus team.

We decided we would pivot and double down on mining by expanding our mining machinery product line. We believed that with a comprehensive line of mining machinery we could serve the entire mining industry and more effectively manage through the various commodity troughs. Commodities ebb and

flow constantly but commodities are never all down or all up. It's always a mixed bag and with a comprehensive product portfolio, we could follow all commodities and weather the normal commodity volatility. In other words, this strategy would provide us with the same protection we desired with the diversification of the construction industry but confined us to an industry we understood well.

Terex possessed a line of smaller mining products that served the mining markets that we couldn't. Accordingly, we reapproached Terex in early 2009 to purchase their mining products only. Rather than sell these products outright to us, Terex decided to auction this business segment. We competed with several bidders and eventually we prevailed by purchasing these products in November 2009.

The combination of the stellar performance of our revamped original product lines and the newly acquired high quality assets from DBT and Terex created the largest most formidable mining machinery product line in the world. The company was the 25th fastest growing U.S. company in 2009 and we rocketed to the 8th fastest growing company in 2010. This type of growth is typically reserved for technology companies, not 130-year-old machinery companies. Our revenue was \$5 billion in 2011 and earnings were ramping towards \$1 billion. Employment had grown to over 11,000 employees and we possessed over 100 locations

worldwide to serve our customers. Our stock had already split twice since the IPO in 2004. We were literally on fire.

In 2010 we bid a massive new mining project in India that required almost \$1 billion in surface mining machinery over its initial 5 years of operation. We were the only company that could supply all the machinery for this mine. The synergies we could provide allowed us to successfully compete against our various other competitors and the entire mine was booked exclusively to Bucyrus. This news rocked both the mining and investment worlds.

Almost immediately after our success in India, our Board of Directors was approached by Caterpillar's Chairman who expressed an unsolicited interest in purchasing Bucyrus. It should be noted that once two publicly owned entities broach the subject of a merger or acquisition, they must follow strict rules of engagement established by the Securities and Exchange Commission (SEC). Caterpillar's approach was a reportable incident.

The value of the transaction is effectively established by the market and further refined in negotiations between the two parties. The choice to proceed or not is first determined by a vote of the Board of Directors and, if approved, then by all shareholders (owners). As I stated many times during this process and since, I didn't own the company nor did the management team but rather we

simply ran the company at the pleasure of the shareholders (owners).

In November 2010 a formal offer of purchase was submitted to Bucyrus' board and Bucyrus' board approved the sale. It was then sent to all Bucyrus shareholders for a vote and the sale was approved by a majority of Bucyrus' shareholders.

The sale which closed in July 2011 provided \$8.8 billion to Bucyrus shareholders which reflected a 180% increase to the IPO valuation. The valuation assigned to our assets far exceeded the next closest machinery valuation previously established in the market but based on the breath of our machinery portfolio and our extraordinary financial performance, this valuation was deemed acceptable and justified by a third party.

Bucyrus existed for 130 years and in U.S. business history this by itself puts the company in rare air. When the company was sold in 2010 it had reached its pinnacle of success. The product portfolio had never been more extensive or better positioned in the market. The company was well positioned for another 130 years. The financial performance was nearly double any of the previous years. It was a very successful, albeit extremely sad, end to the long journey of the best large excavation and mining machinery company to ever exist. I am very proud to say that I played a small part in the successful 130-year plus history of Bucyrus.

THERE'S STILL TIME TO SUBMIT NOMINATIONS OF OFFICERS

Mail before June 30th to: Bucyrus Oldtimers Association UA, P.O. Box 563, Oak Creek, WI 53154-0564 or
Email: bigmuskie@beoldtimers.org or oldtimers.newsletter@gmail.com

(Please Print)

PRESIDENT: _____

VICE-PRESIDENT: _____

SECRETARY/TREASURER: _____

☐ I would like to be considered for an appointed Board Member. NAME: _____

I can be contacted at (Phone) _____ (Email) _____

MARCH AND APRIL LUNCHEONS

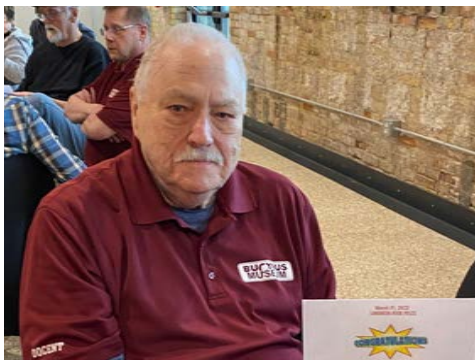
On March 31, 2022 Oldtimers and friends had an enjoyable time with camaraderie and delicious food at our luncheon! The awesome meal provided by Skyline Catering at the Bucyrus Club consisted of our choice of Chicken Dumpling Soup or Sausage & Cabbage Soup, Salad, Bread Basket, Baked Cod, Glazed Carrots and Baby Red Potatoes. Our delicious desserts included a choice of an Apple Pie, Peach Pie, Strawberry-Rhubarb Pie and Razzleberry Pie along with Whipped Cream. Winners of a “free lunch” gift certificate were: Joe Jankowski and Bob Knop. Also in March, the South Milwaukee

Industrial Museum donated two door prizes—each one consisting of a “free attendance pass” to the museum and a museum logo coffee mug. Those winners were Francis Gross and Charles Revie

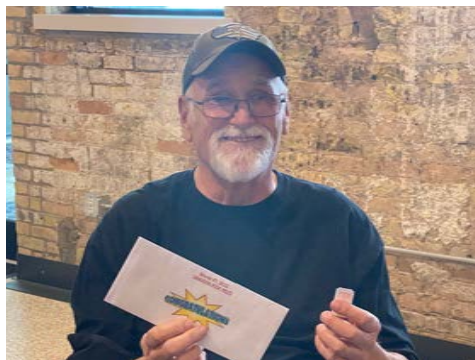
Our April 28, 2022 luncheon was a huge success with 50 members enjoying the delicious meal prepared as always, by Skyline Catering. The menu consisted of our choice of Chicken Dumpling Soup or Tomato Basil Soup, Salad, Bread Basket, Salisbury Steak, Mashed Potatoes and Corn. Desserts were a variety of pies—Lemon Meringue Pie, Chocolate Cream Pie, Strawberry Cream

Pie and Coconut Cream Pie. And, we would also like to thank Marge & Dick Miller for donating two cakes for the additional “goodies” on our dessert table. The two winners of the “free lunch” gift certificates were: Pat Gerasch and Mark Kalinowski.

Please consider joining us for one or all of our future luncheons: June 30th (Picnic), September 29th and October 27th. Reservations are requested by calling Dolores Page (414-768-9437) or Pat Merkovich (414-617-2796) by the Monday prior to the luncheon. This enables us to accommodate all who attend.



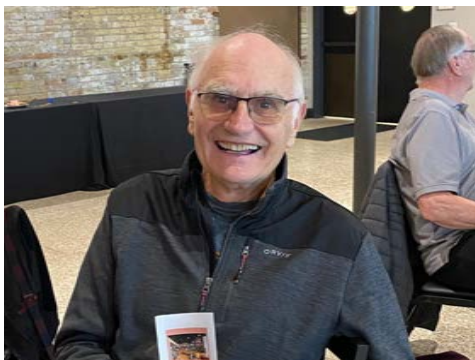
Joe Jankowski



Bob Knop



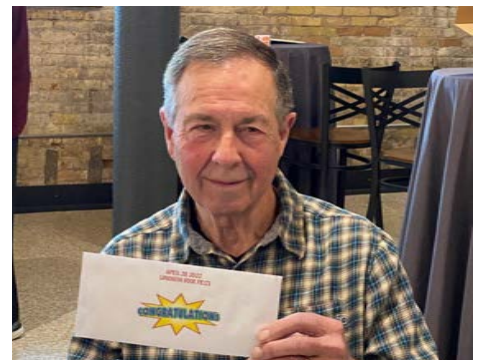
Francis Gross



Charles Revie



Pat Gerasch



Mark Kalinowski



USW Local 1343

Union Picnic

WHEN: Saturday, July 16, 2022
WHERE: American Legion Post 434
9327 S. Shepard Ave, Oak Creek
TIME: 12:00 Noon - 5:00 p.m.

COST: \$5.00 - Per Single
\$10.00 - Per Family
Questions? Call the Union Office at
(414) 762-3738

BUCYRUS COMMONS GROUND BREAKING

On May 2, 2022 a Ground Breaking Ceremony took place for the Bucyrus Commons in South Milwaukee, Wisconsin by two Bucyrus Alumni—South Milwaukee's Mayor Jim Shelenske and the Director of the Bucyrus Museum Bob Jelinek representing the Bucyrus Foundation.

In February of 2020 The Bucyrus Foundation made a \$2 million grant to the City of South Milwaukee for two specific projects. The \$1.5 million grant was designated for the renovation of the Bucyrus Club—that project was completed in 2021 and is now the new home of the Bucyrus Museum and the Bucyrus Club & Event Center. The remaining \$500,000 was designated to make

improvements to the downtown public space which will include an open-air pavilion, a covered stage, public restrooms and additional green space. It will be the future home of the South Milwaukee Farmers Market along with the European Beer Gardens, sponsored music nights and a host to other public and private events throughout the year.

The space will pay homage to Bucyrus' role in developing South Milwaukee that will include signage and a set of historical storyboards that feature Bucyrus' and the City's history. Grand opening for the Bucyrus Commons is slated for this fall.



Officers, Board of Directors and Staff

Shirley Borgie, President • 414.768.9750

Dolores Page, Vice-President • 414.768.9437

Pat Merkovich, Secretary/Treasurer • 414.617.2796

Board Members: Bill Haag, Betsy Hodson, Debbie Polzin, Ken Tangen

Newsletter: Pat Merkovich • Email: oldtimers.newsletter@gmail.com

Webmaster: Ken Tangen • Email: bigmuskie@beoldtimers.org • www.beoldtimers.org

Retiree Newsletter & Correspondence

Bucyrus® Oldtimers Association UA • P. O. Box 563 • Oak Creek, WI 53154-0564

We are always appreciative of our Oldtimers members and Museum friend's generosity for any and all donations. The Bucyrus® Oldtimers Association UA and the South Milwaukee Industrial Museum LLC are both separate non-profit organizations, and therefore have individual accounts. Since we both rely solely on free-will donations, we have partnered in this newsletter to reduce costs for both of us, and provide everyone with the latest information on events, activities, and news updates in both groups. We hope you continue to find the combined quarterly publication enjoyable and enlightening. Thanks for your continued support of our organizations and welcome any feedback you may have.

For future reference, please keep the following addresses handy for all your correspondence and donations:



Bucyrus® Oldtimers Association UA

P.O. Box 563

Oak Creek, WI 53154-0564



South Milwaukee Industrial

Museum LLC

P.O. Box 84

South Milwaukee, WI 53172-0084

Personal views expressed in editorials and articles are the writer's alone and do not necessarily reflect the views of the **Bucyrus® Oldtimers Association UA** or the Newsletter staff. All data and information provided within this publication and/or website is intended for informational purposes only. The publishers or authors of "Retiree Newsletter" make no representations as to accuracy or completeness of this publications content and will not be held liable for any errors or omissions.

No part of this publication and/or website may be reproduced, stored in a retrieval system or transmitted in any form without prior written permission of the Bucyrus® Oldtimers Association UA.

BUCYRUS INDIA Pvt LIMITED – BACKGROUND, DEVELOPMENT AND SUCCESSES

Compiled by Dave Lee and Pete Cottam

PREFACE

India has often been somewhat of an enigma to the Western world, with its multitude of diverse cultures and religions, often at odds with each other. The history of India dates back 65,000 years, and was once ruled by the British from 1858 to 1947. Today India is the second most populated country in the world (after China), and currently has one of the fastest growing economies in the world, embracing modern technology, manufacturing, energy, communications and overseas investments, as well having a wealth of natural resources.

In keeping with tradition for overseas business, Bucyrus had been represented on the Indian sub-continent for many years by a distributor, namely Greaves Cotton Ltd, a privately owned Indian company.

Greaves were established in 1859, and were a well-respected engineering and manufacturing company within India. So they were well placed to serve the market for the traditional Bucyrus products, ranging from water well drills and construction machines, to mining machines. Greaves would have been frequently visited by a Bucyrus Erie regional sales manager.

With their 8 producing subsidiaries and each having a number of separate mining operations, as well as long term procurement strategies under the control of the Indian Ministry of Coal, Coal India was set to be a major future potential for Bucyrus equipment for many years to come.

In the 1970's the Ministry of Coal embarked on an aggressive expansion programme of coal production, which included machine selection being based on suppliers utilizing local manufacturing sources. The Indian Government dictated which local collaborators would be used for

Western manufacture. As such, during this period, Bucyrus, USA supplied approximately 12 nos. 195B1 shovels in collaboration with Heavy Engineering Company (HEC). In addition, Bucyrus in the UK, supplied 2 nos. 195RB shovels which were funded by the UK Overseas Development Agency (ODA). Prior to this, the earthmoving equipment supplied to Coal India was largely from Russian, Eastern European and Chinese sources.

Between 1988 and 1994 work continued in promoting Bucyrus and supporting existing equipment. However, it became clear that the customers could be better served and supported directly, and with that in view Bucyrus India Pvt Limited was formed in 1994 with UK and USA directors, and ties with Greaves Cotton were discontinued.

With the UK having an historical relationship with India, it was natu-



India Coal 495B Shovel

ral that Bucyrus Europe Ltd should spearhead the establishment of an office in New Delhi which was duly registered on October 5 1994 as Bucyrus India Pvt Limited with UK and US directors. Initially, the office was a room in a Delhi hotel which was set up by a Bucyrus Europe manager, and eventually comprised an initial full time staff three persons. These were a UK expat sales/office manager, a local employee who moved over from Greaves Cotton with knowledge of Bucyrus products and a local female employee to act as secretary/admin clerk. Additionally, there was a part-time local electrical service engineer who

had previously been employed by Coal India. From this time Bucyrus India became involved in all future machine and parts sales, and over time established a network of critical local contacts at all levels.

In those early days there were many challenges, particularly with a small team trying to cover many mine sites and Coal India offices.



Bucyrus 295B Shovel in India

Local air travel through provincial airports was very basic and unpredictable. Train travel wasn't much better with frequent long delays and slow progress on grossly overcrowded trains and stations. Road travel in locally manufactured, 50 year old designed cars, was probably the most challenging on poorly maintained roads and bridges, with trucks and buses all fighting to pass each other in a suicidal race!! Punctures were the norm and lights at night seemed only optional!!

In 1988 Bucyrus bought the intellectual rights of the walking dragline division from Ransome Rapier (R&R) in the UK. R&R had already sold 8 nos W2000 draglines into the Indian market so this proved to be a lucrative acquisition for the future, due to having a machine that was already technically accepted by Coal India. Additionally, there was the future potential for on-going spare parts and machine overhaul business. In fact Bucyrus managed to secure substantial orders to up-grade several of the original R&R W2000's with components that were the subject of Bucyrus re-design and technology. The allocated R&R collaborator was Heavy Engineering Company (HEC)

which was an Eastern Bloc built facility covering 7000 acres near the city of Ranchi in North-East India. However, R&R had already discontinued the collaboration agreement



Bucyrus Erie 195B in India

with HEC on the grounds of lack of advancement in manufacturing technology and quality issues.

It is important to understand that because Coal India is a government controlled organisation, the system of ordering everything is by a very long term tender process, with many stages of evaluations and decision making. This system was obviously extremely labour intensive but with a staff of approximately 700,000 employees in the 1980's covering many skills, this was not an obstacle for Coal India. For new equipment it is typically 4 to 5 years from tender issue to order award. Even for spare parts requirements, the process can take up to 18 months or more in some cases. Additionally, prices are meticulously monitored, allowing only marginal increases within Government guidelines, from historically purchased/quoted prices. When high price increases occurred, generally driven by world-wide commodity costs, this was a particularly challenging problem to justify to the commercial culture of the Indian market.

Over the years, the Bucyrus India office and staff evolved to meet the ever increasing demands and opportunities of the Indian market. The final move from New Delhi was to Calcutta where the central offices of the Ministry of Coal and Coal India were located, and this enabled Bucyrus India, more easily, to build and maintain contact with key personnel in these organisations. In addition, a

dedicated facility was acquired at one of Coal India's Northern Coal-fields sites to provide offices, warehousing and accommodation.

In the Bucyrus India Calcutta office, locally employed staff were extensively trained by Bucyrus Europe personnel to be self-sufficient in processing parts enquiries and understanding the on-line Bucyrus systems. For field service matters a UK expat was employed on a full time residency in India.

The idea of having Indian collaborators for Western suppliers was to transfer original manufacturing drawings and technology for specific machines for the Indian market so as to gradually increase the indigenous content as expertise improved. The higher the amount of local content was a significant "plus point" during the evaluation of new machine tenders.

However, it should be noted that where Indian collaborators were used in the manufacture of shovels and draglines, all the critical componentry and purchased items were imported either from the UK or USA.

In 1997 Bucyrus purchased Marion Power Shovel Company, which included ranges of walking draglines, electric rope shovels and electric rotary blast hole drills. This gave Bucyrus a whole new range of mining machines and a significant population of working machines across the

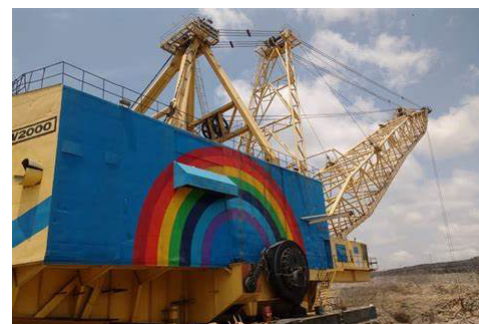


BEML Bucyrus 182M Shovel

world, with India already established as one of the countries with both an existing and future potential. Marion's collaborator was Bharat Earth Movers Limited (BEML), located not far from Bangalore in south-central India. Additionally, Marion had a local "Indian Team" supporting their prod-

uct so it was a natural progression to integrate this team into Bucyrus India to support existing and future machine sales. At this point, it was therefore logical for Bucyrus India to move offices from New Delhi to Bangalore in order, for the first time, to establish and subsequently maintain a close working relationship with BEML, which would prove particularly invaluable the following year.

One of the Marion shovel models already established in India was the 182M with 10 cu m dipper for which BEML had manufacturing expertise. With some Bucyrus re-design features, this machine proved to be an on-going success for Bucyrus with



India W2000 Dragline

30 nos. being sold over the course of 10 years, in both the coal and iron ore mining sectors.

In 1998 Bucyrus successfully secured an order for 3nos W2000's, which was financed by the World Bank, and this time BEML were preferred as the Indian manufacturing collaborator. Within this project, the World Bank employed a UK consultancy firm with personnel from the former British Coal, who conveniently had a good working relationship with Bucyrus Europe. These machines were subsequently shipped in 1999, 2000 and 2001, and erected under Bucyrus India supervision.

Bucyrus India's sales success continued through the 1990's and 2000's, and in addition to the already mentioned machines, orders were secured for 3 nos. 495BII shovels (fully imported), together with a 15 year parts supply and maintenance contract which was operated by Bucyrus India.

Continued on next page

Other notable successful sales were a specially designed version of the W2000 dragline, and 3 nos. 295B AC shovels which combined Bucyrus and Marion technology.

From 1999 through to 2010, Bucyrus were successful in every new machine tender where the equipment required was within the Bucyrus product range.

In 2009 Bucyrus purchased the mining equipment business from Terex Corporation, which included Terex Mining products as well as products of former companies such as O&K hydraulic excavators, Unit Rig mining trucks and Reeddrill hydraulic drills. This again added greatly to Bucyrus's portfolio of equipment for the mining industry, particularly mining trucks. For the first time this enabled Bucyrus to bid complete mining equipment packages which proved significant in terms of the following paragraph.

In 2010 Bucyrus secured an order from Reliance Power Limited, a privately owned Indian company, for what was the most significant contract in Bucyrus's history. It was the first time that Bucyrus had been a single source for the supply of all

the major earthmoving equipment. This order comprised: 2 nos. 8200M, 80 cu yd draglines, 4 nos. 495BHD, 42 cu yd shovels, 6 nos. 49RH, 12.25" hole size drills and 56 nos. MT4400AC, 240 ton trucks, plus an option for a further 280 trucks. With a total value of \$ 600M, plus an option to supply a further 280 trucks, making the overall total \$ 936M, this was the largest single contract in the history of Bucyrus. The equipment was destined for Reliance Power's Sasan Project in Madhya Pradesh (north-central India), and was always intended to be backed by US Exim Bank loan guarantees. This was not straightforward, but the prospect of creating approximately 1000 jobs across 13 States in the USA, and Reliance's involvement in renewable energy sources and their agreement to cap carbon emissions was enough to gain the necessary US Exim Bank approvals.

Finally, in 2011 Caterpillar completed their acquisition of Bucyrus and subsequently undertook the fulfilment of the Bucyrus contract to supply the ordered equipment to Reliance Power.

FOOTNOTE

To illustrate the importance of Coal India within the world-wide coal mining industry, it is pertinent to include a few current (2020/21) facts as below:

- Formed in 1975.
- Core business – coal mining and refining.
- A subsidiary Institute dedicated to central mine planning and design.
- Employee levels (2021) – 272,000
- Second largest coal producer in the world.
- Fourth largest coal reserves in the world.
- 345 mines (April 2021) – 172 opencast, 151 underground, 22 mixed.
- Annual production (2020-21) – 596 million metric tonnes.
- Revenue (2021) – US\$ 12 billion.
- Total assets (2021) – US\$ 21 billion.
- 49 future projects with incremental capacity of 289 million metric tonnes per year.
- Plans to produce 1 billion metric tonnes per year by 2023.

Reminder: Bucyrus Foundation Matching Gift Program

The Bucyrus Foundation announced in March that it was again supporting all former Bucyrus employees and retirees' involvement in civic and charitable activities by directing Bucyrus Foundation matching grants to those organizations that are of the greatest importance to them. Due to fund regulations, they can only provide matching support in the US at this time, but continue work to eventually make this program available to alumni worldwide. The program is currently open to those alumni employees who are making contributions to organizations within the United States that hold a valid 501(c)(3) designation by the U.S. Internal Revenue Service or are a religious affiliate listed under master agreement with the IRS.

Organizations eligible for matching support are generally, but not limited to:

- Educational /Museums /Arts Institutions
- Community Service Agencies
- Environmental Causes
- Health & Welfare Agencies
- Qualified Church or Religious Organizations

The Bucyrus Foundation does not make matching contributions to politically related organizations, causes, campaigns, or any charity organizations without a valid 501(c)(3) designation by the IRS.

Other Qualifications are:

- The gift must be a personal monetary contribution made by check or credit card with a minimum amount of \$50.00. 'Cash' contributions will not be considered for matching funds.

- The contribution must actually be made and processed by the receiver, not just pledged.
- Matching gift requests must be made by the recipient within 90 days of the donation.
- The maximum reimbursement for an individuals' donation to one organization is \$2000 per calendar year, with a maximum of matching contributions totaling \$10,000.00 per calendar year for each employee.

Make sure you take advantage of this program when considering your future donations. Matching gift forms are also available on the Bucyrus Oldtimers website link (beoldtimers.org), the Bucyrus Museum Welcome Center, and at the monthly luncheons.

Matching Gift Form: **THE BUCYRUS FOUNDATION**

Part A – TO BE COMPLETED BY DONOR

The Bucyrus Foundation will match your contributions of up to \$2000 per recipient on a 1:1 basis with a limit of \$10,000 per calendar year per employee.

Name _____

Home Address _____

City/State/Zip Code _____

Company Name/Division _____ Index # (if known) _____

Work Location (city) _____ Daytime Phone _____

Exact Date of Gift ____/____/____ Donation Amount \$ _____

Gift made by: ☐ Check ☐ Credit Card

Organization Receiving Gift: _____

Address: _____

I certify that this gift meets with all the specifications as described in the Bucyrus Foundation Guidelines as it relates to the matching gifts program. I am an eligible former Bucyrus employee, retiree, or otherwise a member of the Bucyrus Oldtimers Association UA.

Signature of donor _____ Date ____/____/____

Part B TO BE COMPLETED BY RECIPIENT INSTITUTION

1. Verify donor section. Fill out Part B Completely.

2. Mail this form along with a photocopy of the check or proof of credit card donation to:

BUCYRUS FOUNDATION PROGRAM – PO Box 84, South Milwaukee, WI 53172-0084

I certify that this institution is recognized as a tax-exempt public charity (not a private foundation) by the IRS under Section 501 (c) (3). First time applicants must provide a copy of your Section 501 (c) (3) letter. Failure to include this letter may prevent matching gift processing.

Donor _____ Amount \$ _____ Date Received ____/____/____

Organization _____ Tax ID/EIN _____

Address _____ Phone _____

City/State/ZIP _____

Website _____

Signature of Officer (not a stamp) _____

Print or type Full Name and Title of Officer _____

BUCYRUS FOUNDATION MATCHING GIFTS GUIDELINES

PURPOSE

To support Bucyrus' former employee and retiree involvement in civic and charitable activities by directing Bucyrus Foundation resources to those organizations that are of the greatest importance to our alumni. The program is currently only open to those employees who are making contributions to organizations within the United States that hold a valid 501(c)(3) designation by the U.S. Internal Revenue Service

ELIGIBLE ORGANIZATIONS

To be eligible, an organization must be a non-profit, tax-exempt entity currently recognized by the U.S. Internal Revenue Service under section 501(c)(3). Organizations eligible for matching support are generally, but not limited to:

- Educational /Museums /Arts Institutions
- Community Service Agencies
- Environmental Causes
- Health & Welfare Agencies
- Qualified Church or Religious Organizations

The Bucyrus Foundation does not make contributions to politically related organizations, causes, campaigns, or charity organizations without a 501(c)(3) designation by the IRS.

OTHER QUALIFICATIONS

- The gift must be a personal monetary contribution made by check or credit card with a minimum amount of \$50.00. 'Cash' contributions will not be considered for matching funds.
- The contribution must actually be made and processed by the receiver, not just pledged.
- Matching gift requests must be made by the recipient within 90 days of the donation.
- The maximum reimbursement for an individuals' donation to one organization is \$2000 per calendar year, with a maximum of matching contributions totaling \$10,000.00 per calendar year for each employee.

Distribution of Matching Fund requests will be made through the Greater Milwaukee Foundation as soon as practical after approval. Inquiries as to the status of the approval can be made by emailing: bemuseum@smimllc.org - Include "Matching Gift Inquiry" on the subject line.



LETTERS TO 'BIG MUSKIE' FROM FELLOW OLDTIMERS

March 15, 2022

I have learned of the passing of Terry Wigsell. Terry served as Sales Promotion Manager at Ruston-Bucyrus Ltd. During that time he became acquainted and friends with many B-E sales and engineering people. He was full of enthusiasm and a very outgoing person. Terry loved coming to the United States, and we loved coming to the U.S.A. and we enjoyed having him. Several times he attended our CMD Field Sales meeting, giving us a strong sales pitch on the R-B machines when we were importing the 22-RB's. Terry was diagnosed with a brain tumor on Christmas Eve and passed away a few weeks later. Terry is survived by his Patty, who also served in the R-B Sales Dept.

Would you pass this sad information along to the "Old Timers Letter" so others who knew Terry would be aware of his passing.

Thank you,
Fred Shew
Too much sad news right now.

March 28, 2022

I apologize (my spelling!) for not letting the Oldtimers Association of Paul O'Connor's death last fall. His years at BE (long ago) were a treasure chest of valued friendship — Thanks for everything.

Best,
Kappy O'C

March 29, 2022

We would like to inform you that Les Touve had died on March 5, 2022. He will no longer need letter. He worked at B.E. for 38-39 years.

Thanks,
Ray Touve (Son)

April 18, 2022

It's been a long time since I donated. Here is a little bit to help "Pay the Bills".

Jim Piper

May 2, 2022

To the Oldtimers Association, Thank you so much for the condolences in the loss of Wayne. We appreciated the warm words of comfort. Wayne and I enjoyed reading the oldtimers newsletter together and I would like to continue to receive it if that is possible. I am enclosing a small donation to help with the expenses of printing it. We kept saying we were going to send a donation and just kept forgetting and time goes by.

Sincerely,
Marcie Fick

May 28, 2022

Thank you for letting others know of Francis' "Honor Flight". Appreciated all the excitement he returned with. He knew it would be wonderful but he was overwhelmed!

Thank you for your kind thoughts B-E Oldtimers.

Kathleen & Francis Gross

SHIRLEY BORGIE RESIGNS AS PRESIDENT



Shirley is that happy-go-lucky person with an infectious laugh, big smile and a friend who is loved by all! Shirley started work at B-E in production control in 1962 and as a timekeeper when she retired in 1998. Since then, she has selflessly served the Bucyrus® Oldtimers Association as our long time President. She has been there to greet you with her sunny disposition at the monthly luncheons (collecting your money, of course!), always telling a joke or two. She has helped the organization whenever and wherever needed. Shirley made our Oldtimers events a fun and memorable time.

After almost 25 years of service, she feels it's time to "pass the torch" to someone new, we will always appreciate her input, direction and devotion to

making the B-E Oldtimers what it is today! Her presence as our President will be missed but certainly not forgotten.

THANK YOU SHIRLEY!



Luncheon—10/30/15



Operated by the South Milwaukee Industrial Museum LLC

BUCYRUS' EVANSVILLE PLANT

With the purchase of the Vulcan Steam Shovel Company of Toledo, Ohio in 1910, Bucyrus management decided to move manufacturing of small revolving shovels to a new facility to be built in Evansville, Indiana. The South Milwaukee plant was 'overbooked' with railroad shovels, dredges, and wrecking cranes. The tight schedule deadlines of the Panama Canal project made additional production of the new revolving shovels impossible.



Evansville Plant 1912

Construction of the new plant began in 1910 and the facility was completed in late 1912. The company had spent a total of \$200,000 for buildings, and \$250,000 on new manufacturing equipment. In addition, they moved another \$125,000 worth of tools and equipment from the Vulcan plant as they closed it down. These plant totals did not include the land purchase, new patterns required to make castings for revolving shovels, cranes, and draglines, or the engineering needed to start production.

When Evansville started, it was capable of manufacturing about 250 small revolving machines per year. Some operations started before the final buildings were completed as the transfer of equipment and employees from Vulcan wrapped up. Selling all 250 revolving machines would equate to an additional \$2 million in revenue for Bucyrus.

However, it took almost a decade to get the plant up to speed. One of the issues was the slow recruitment and training of a satisfactory labor force. Another stemmed from the fact that the key positions of Works Manager, Chief Engineer, Production Manager, Payroll

and Accounting were all staffed by Bucyrus personnel who maintained their status and pay with the company. Men from the Vulcan factory were given the job of directing the six shop divisions which were Machine, Smith, Plate, Engine, Pattern, and Erecting. They came in at a revised pay scale from what they earned in Toledo. This caused friction between the two groups.

The startup plan included South Milwaukee as a major source of skilled labor to help staff the factory and train new, locally hired employees. However, only a few of the workers transferred from South Milwaukee as the shop pay scales were roughly 20-30% less in Evansville. The task of getting a required workforce of roughly 700 employees was placed squarely upon the 40 employees from SM and Vulcan who held the management positions, and who didn't have good reason to help each other.

The first machines off the line in Evansville were the new 14-B (5/8 cu. yd.) and 18-B (7/8 cu. yd.) fully revolving shovels. Although they had good sales numbers, the plant fell far short of profitability in the first year. Things eventually picked up and Evansville was assigned more products, including the 40-R which was the smallest railroad shovel in the Bucyrus line, not to be confused with the blasthole drill which was also named the 40-R. Additional large shovels like the 25-B and 35-B along with a 27-B 'skimmer' and dragline configurations of current machines.

In 1916, helped by the stimulus in machine sales caused by WWI, the Evansville plant finally turned a profit. By 1921, the demand for smaller machines fell significantly, and employment levels were cut. That same year, Bucyrus was driven by competition to come up with a new version, so they introduced both the 'universal machine' and gas and diesel power as an alternate to steam. The 'universal machines' could be configured as a shovel, dragline, crane, or clamshell. In



1922, they introduced the use of electric motors.

Early in 1922, the Board of Directors hired a company to determine if it would be more cost effective to close Evansville and relocate production South Milwaukee. They determined that the savings generated by not shipping parts between



plants, and consolidation of jobs would lead to net a savings of \$100,000 per year. President William Coleman opted not to close the plant and wrote the following to the Board:

"if the Evansville plant were consolidated with the South Milwaukee plant, the inability to obtain an adequate supply of labor would inevitably result in the loss of production and it is my belief that this loss would far offset the savings. The difficulty in obtaining an adequate labor supply in South Milwaukee is fundamental because it arises from the housing situation and inability to secure quarters for the necessary men to operate our plant. Even if an adequate supply of labor were available, it could not be held as a contented, satisfied force because of this situation"

He called on the Board to recognize the consultants had been called on to investigate this aspect, and had not taken this into consideration. The Board did not question Coleman's judgement, and accepted his recommendation to keep the Evansville Plant open.

By the mid 1930's Evansville was producing a lot of smaller machines and embarked upon an alliance with International Harvester to make earth moving attachments for their tractor line. They also developed and built earth scrapers, and the combo of equipment became known as the "Big Red Team". That partnership lasted into the mid 1950's.

In 1962, Bucyrus-Erie split mining and construction machines, and formed the Construction Machinery Division consisting of Commercial Cranes, Excavators, and Water Well Drills. The Evansville, Indiana plant became the headquarters. The 51-B, 61-B, 71-B, 88-B, H-3, H-5 Hydro-Cranes and Water Well Drills were manufactured there, while the Erie Plant would continue to build the 22-B, 30-B's and 38-B's as part of CMD. Over the years, Evansville made literally thousands of machines. Even steam powered mining shovels like the 50-B's were once made here.

In 1981, Bucyrus-Erie announced it was selling the Evansville plant to Continental Emsco, a division of LTV Steel. They operated it for two more years before they closed at this location. The buildings were rented out, and eventually came into disrepair. Most of the original

plant buildings were razed by 2010.



Evansville Plant 1912

Despite its rocky start, the Evansville plant quickly became an integral part to the infrastructure and profitability of Bucyrus and Bucyrus-Erie. Its flexibility helped the company expand the mining and construction machine product lines. You can still find a lot of 40–60-year-old machines built in the Evansville plant working today, and they appear regularly in machine auctions and on-line listings for sale. Many machines have been restored by collectors or companies who take great care in making sure everything looks like the day it came out the



Evansville Plant 1980

door in Indiana. You'll recognize a BE by its iconic dark green, yellow, and marron paint scheme. Check out our ¾ scale 85B dragline model next time you visit the Bucyrus Museum. These machines were real workhorses that were built to last!





THEN & NOW – REVISITED

Back in 1991, the company had just transitioned from being publicly held to a “MBO”, or Management Buyout privately held company. One of the ways the transition was announced to the employees was on the first page of the company newsletter, “Miner Details”. It was titled ‘B-E Remembers -Then & Now’ and compared the transition back to when Dan P. Ells first bought an old factory in 1880 and starting Bucyrus.

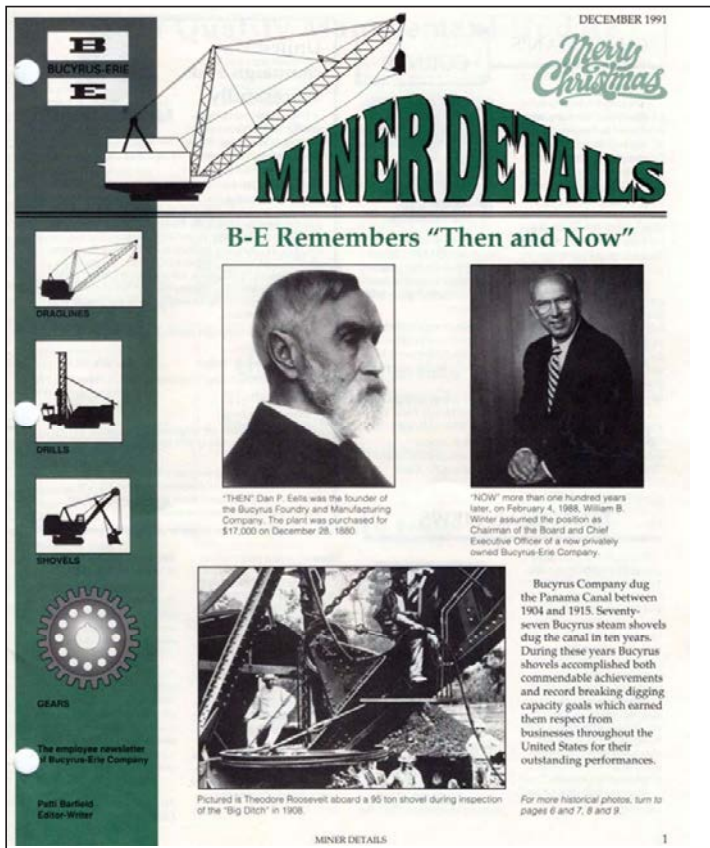
We liked the idea of the ‘Then & Now’ theme, as much has changed for the company and products from the beginning. The museum has a wide assortment of many sequential or ‘then & now’ type stories and photos of Bucyrus and machines to compare, so we thought we’d run a few of these articles every year for fun.

Our first attempt at a ‘Then and Now’ covers the building we’re currently in. When Bucyrus bought the three-

story main building in 1907, they immediately added a machine shop wing to the north and called it the west shop. In 1920 the building transitioned to the Bucyrus Club, and the machine shop became a 6-lane bowling alley. The building was added onto in 1954/55, and the space became a 10-lane alley. It was updated and re-modeled again in 1974 to include the latest machinery, modern fixtures, and vivid wall colors. Groovy!

The bowling lanes didn’t change much after that, and in 2020 the Bucyrus Club restoration plans converted the bowling area into a Grand Ballroom that once again revealed and showcased the old machine shop vaulted beam & truss design of 1907.

Drop us an email at bemuseum@smimllc.org if you’d like us to continue to do a ‘Then and Now’ series in future newsletters. Thanks!



Bowling Lanes 1954



Bowling Lanes 1970's



Bucyrus Machine Shop 1909



Club 'machine shop' bowling alley today

BUCYRUS-ERIE FAMILY DAY 1951

Here's some highlights from an article in the 1951, Number 5 edition, of SCOOP regarding the open house event held at the South Milwaukee works. The company opened the doors to all visitors on Saturday September 24th. Attendance was estimated to be 9,000 guests, with 400 volunteer employees chaperoning in all shops.

The most popular attractions were the steam forge hammer demonstration and being able to walk through a 36 cubic yard bucket on the weld floor shown in the background of the first photo. The foundry and machine shops were also popular with guests.

A traveling product show display was set up to provide families and local residents with an idea of the products made by Bucyrus Erie at the time. In the B-E tradition of being gracious hosts, everyone who wanted a hot dog and drink to enjoy stood in a long line outside the Bucyrus Club after their visit. The weather that day was described as 'cold and raw', but did not deter the folks who wanted to take advantage of seeing the plant for the first time since the last open house was held in 1935.



The South Milwaukee Industrial Museum LLC is a 501c3 educational non-profit operating the Bucyrus Museum and is dedicated to the historic preservation of documents and artifacts relating to Bucyrus International and its merged companies.

PO Box 84 • South Milwaukee, WI 53172-0084 • 414.671.3850 • Email: bemuseum@smimlic.org

Board of Directors:

Robert Jelinek, Chairman - Gerald Miller, Treasurer
Michael McKean, Secretary, Joe Jankowski, William Zolandz

Bucyrus® Oldtimers Association UA
P.O. Box 563
Oak Creek, WI 53154-0564

Prsrt Standard
U.S. Postage
PAID
South Milwaukee, WI
Permit No. 2



"A BIG THANK YOU"

TO OUR CONTRIBUTORS

Richard Andrews • Gary Dillon
Marcie Fick • David Hartay
John Hittman • Terry Honeck
Bob Jelinek • James Piper • Charles Revie
Thomas Sprague • Scott Streich



In Loving Memory



*With Heavy Hearts
we said "Goodbye" to:*

Paul O'Connor 9/16/21
Christian Johnson 11/7/21
Terry Wigsell 2/19/22
Leslie "Swede" Touve 3/5/22
John F. Prendergast 3/6/22
John W. Sanders 3/10/22
Melvin (Mel) Krajnak 3/11/22
Dent S. Boone 3/21/22
Wayne Fick 4/9/22
Merrill Longpre 4/15/22
Gerald "Jerry" Kastreva 4/18/22
Judith Peterson 4/18/22
Roger L. Klinger Jr. 5/7/22
James V. Miller 5/12/22
John Kettula 5/14/22
Gary Gatewood 5/15/22
Michael "Mike" D. Schultz 5/22/22

2022

LUNCHEONS & EVENTS

The Bucyrus Club & Event Center
1919 12th Avenue, South Milwaukee
(For Reservations call
Dolores Page at 414-768-9437 or
Pat Merkovich at 414-617-2796)

Luncheon Cost \$15.00/person
Opens 11:30 a.m. • Food served at 12 noon

June 30 (*picnic*)
September 26 • October 27

WE'D LOVE TO HEAR FROM YOU!

PLEASE SUBMIT ALL
WRITTEN CORRESPONDENCE TO:
Bucyrus® Oldtimers Association UA
P.O. Box 563
Oak Creek WI 53154-0564
or Email: bigmuskie@beoldtimers.org
or oldtimers.newsletter@gmail.com