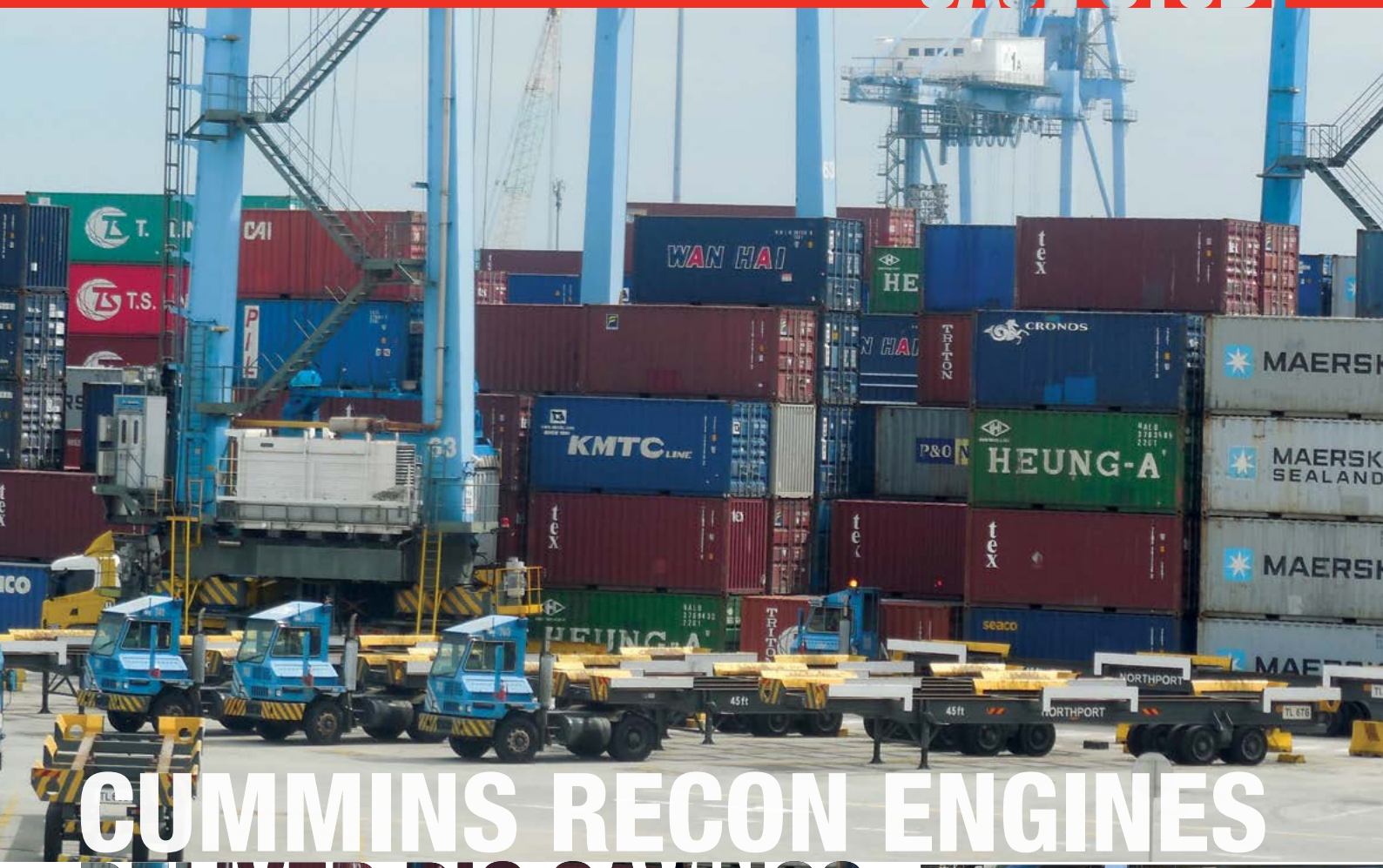


CUMMINS RECON ENGINES DELIVER BIG SAVINGS to Malaysian port operator

Malaysian port operator Northport has achieved an increase in equipment uptime of 79% along with fuel savings of 5% since switching from an unauthorised engine rebuilder to using genuine Cummins ReCon engines.

The switch virtually eliminated downtime in over 90 pieces of Cummins-powered equipment.

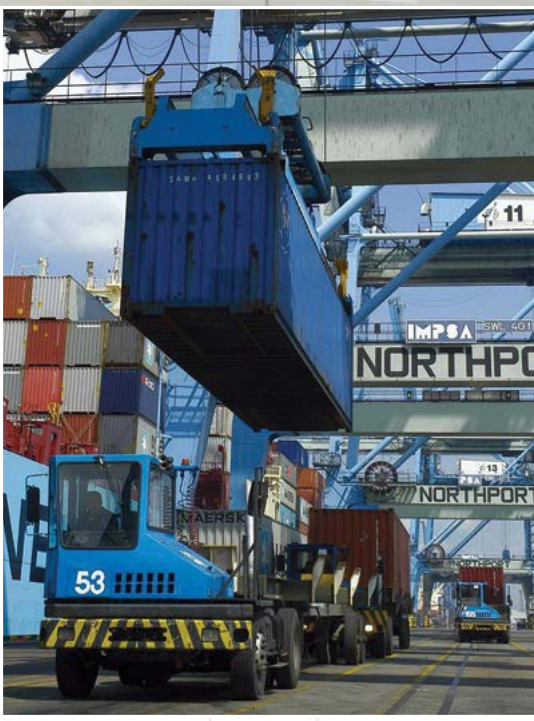
Northport operates close to 300 Cummins engines in terminal tractors and rubber tyred gantry cranes at Port Klang, near Kuala Lumpur. It is one of the largest ports in Malaysia and one of the busiest container terminals in the world.

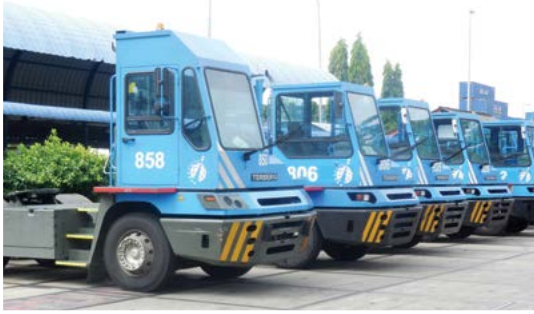
"At Northport, time is the most important factor for our business. Vessels coming in follow a tight schedule," says IR G. Sundaraja Perumal, head of equipment and maintenance. "All our operations must run smoothly, especially our equipment. Any breakdowns and downtime would mean delays and higher costs for our customers, and a loss of business earnings for us."

Trouble with unauthorised rebuilder

Northport was aware that using an unauthorised engine rebuilder could mean trouble. So, as a precaution, the company conducted load tests prior to acceptance. Despite passing the initial tests, most rebuilds deteriorated faster than expected.

"Although we requested our rebuilder to use genuine Cummins parts, we had cases where engine blocks broke due to poor workmanship," says Mohd Firdaus Jamali, senior manager of equipment and maintenance for Northport. "The frequency of engine breakdowns even increased after their six months of warranty.



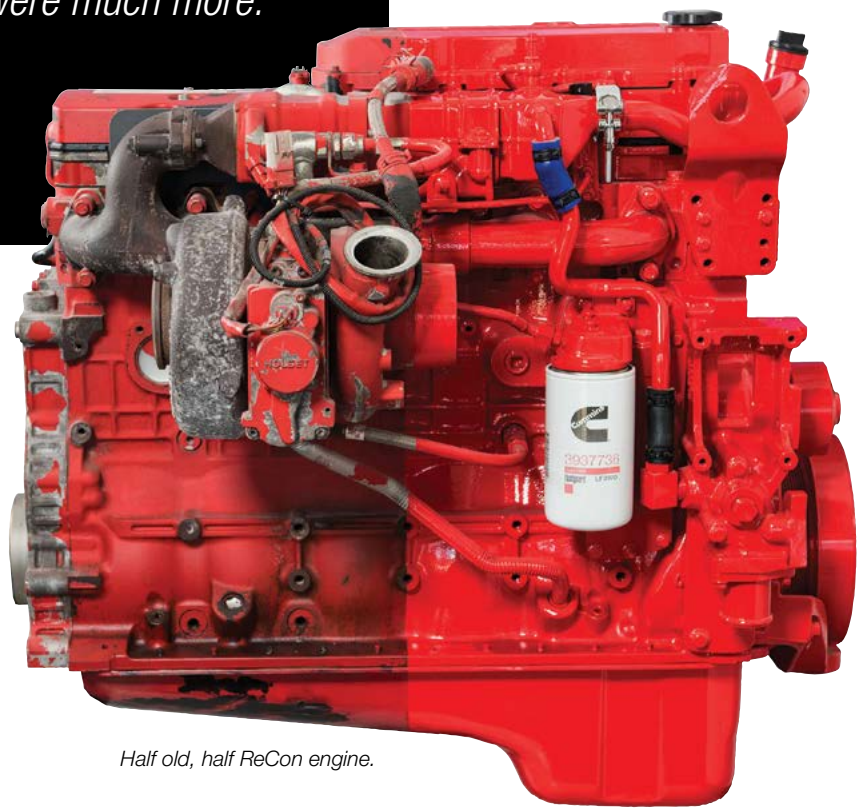


Top and right: Northport operates one of the busiest container ports in the world. The company has 251 Cummins-powered terminal tractors.

Even though the initial cost of a ReCon engine is higher than a rebuild, the benefits we got were much more.

"We did a study comparing the ReCon engines to non-Cummins authorised rebuilt engines and the results were beyond what we expected. Even though the initial cost of a ReCon engine is higher than a rebuild, the benefits we got were much more."

He points out that it previously took 10 to 14 days for an engine rebuild. However, when replaced with a Cummins ReCon engine, the equipment was back in operation after two to three days.



Half old, half ReCon engine.

Huge cost savings

Two years ago, Northport replaced 92 units with ReCon engines. "Since then, we have not sent a single engine back for any major repairs," he says. "So we saved on costs associated with equipment rentals, parts, service and additional repairs.

"Reducing downtime is where the money's at. Our port productivity increased. Each piece of equipment brought in more revenue and in addition, there were 5% in fuel savings.

"The process of purchasing Cummins ReCon engines was fast and easy. We just traded in our old Cummins engines; a simple visual inspection was done, no disassembly was required, and there weren't any unexpected core charges."

Eduardo Martinez, general manager of global remanufacturing for Cummins, comments: "Northport's success mirrors that of many other Cummins ReCon customers. While Cummins ReCon engines have a slightly higher initial cost than certain repairs, the Northport experience provides concrete evidence that there is an extremely short payback period. Every one of our ReCon engines is completely remanufactured to the same specification as a new Cummins engine."

A video detailing the Northport experience can be viewed at cumminsengines.com/recon.

ReCon engines are completely remanufactured to the same specification as a new Cummins engine.

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