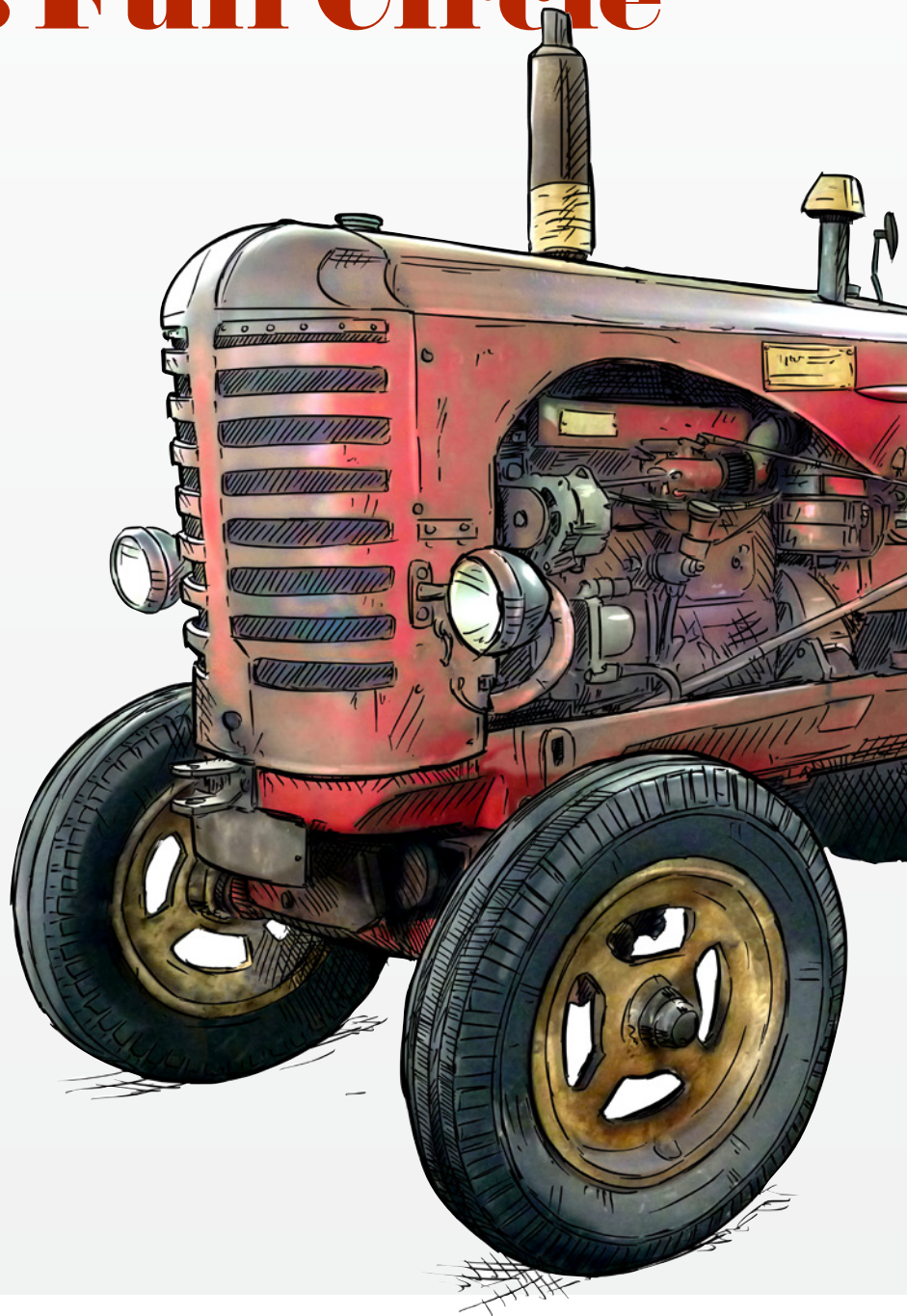


1946 – 2021

Equipment Dealers Flourish as Industry Comes Full Circle



World War II in the early 1940s compelled the U.S. Government to take control of manufacturing, just as it did 75 years later during the COVID-19 pandemic.

“On the one hand, the government needed almost every manufacturing plant, including ag machinery plants, to start producing material for the war—rifles, ships, tanks, airplanes and ammunition. On the other hand, they needed farmers in the U.S. to produce more food than ever before. They had to feed troops and the people living in allied nations who were under attack. Farmers needed equipment to replace the farm hands who had been drafted,” Bill Ganzell writes in *Farming in the 1940s—Tanks and Tractors for Living History Farm*.

“Agricultural equipment manufacturers were caught in the middle,” Ganzell writes. “They were expected to produce for war as well as the farm.”

To address the situation, the government set up the Office of Production Management to determine which plants would shift capacity from producing civilian goods to war material. Ahead of Pearl Harbor the government issued a “limitation order” that held manufacturing of civilian farm equipment to 80 percent of 1940s production level. In addition to making fewer tractors, it also required companies to dramatically increase the production of repair and maintenance parts to help farmers repair their old ones.

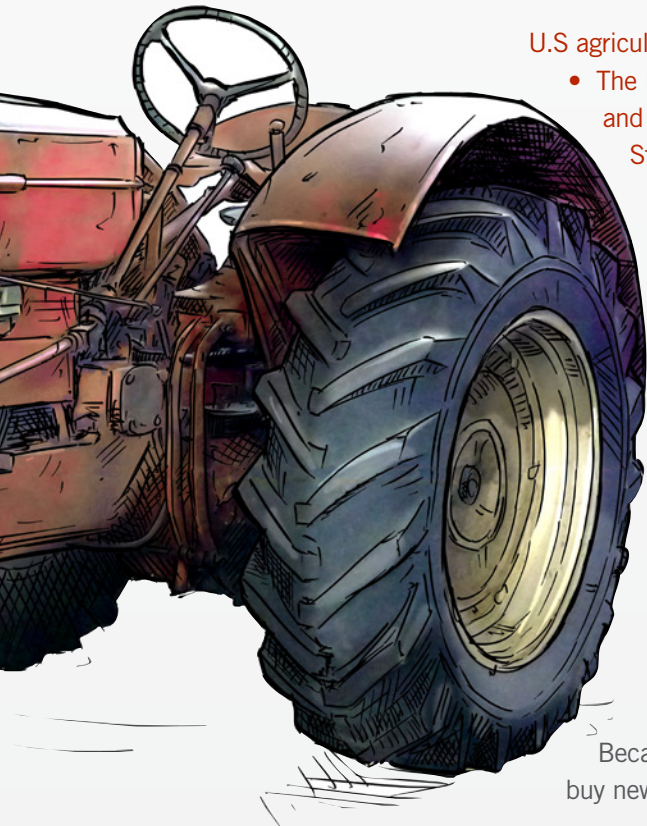
U.S agricultural machine companies manufactured for the war, according to Ganzell:

- The U.S. division of Massey-Harris built the M24 and M5 tanks, aircraft wings and truck bodies. The Canadian division produced wings for Mosquito bombers, Stuart tanks and naval gun mounts.
- John Deere built transmissions for the M3 medium tank. They also manufactured aircraft parts, ammunition and mobile laundry units.
- Case produced wings for B-26 bombers, aftercoolers for Rolls-Royce aircraft engines and hundreds of thousands of artillery shells.
- Allis-Chalmers produced steam turbines and propeller shafts for ships. Later they built the casings that housed the atomic bombs that were dropped on Japan.

Nevertheless, Ganzell observes war production didn't halt innovation in agricultural machinery. If anything the challenges created new technologies, he says. “During this decade, tractors got smaller and more powerful, self-propelled combines were introduced, hydraulic systems made it possible to control larger implements, the Vise Grip pliers were invented and tractors replaced horses on farms forever.”

Because of increased farm production, Ganzell writes that most farmers could buy new equipment for the first time in a decade, but machines were hard to find.

“Farmers often had to convince the implement dealer or the government that he or she could produce more than the neighbor with the new machine. Between the old and new machines, the number of tractors on U.S. farms rose from almost 1.6 million tractors in 1940 to 2.4 million tractors in 1945—an increase of two-thirds. As the machines made their way to the farms they helped create a revolution in farm productivity. That revolution intensified after World War II ended.”



Government regulation prompts group to organize dealership association in California

Before 1946, a local, state or regional association and the national association in St. Louis made services available to farm equipment dealerships in the United States, except for California, Arizona, Nevada and Florida. In 1945, Congress introduced legislation to renew wartime price controls. Under authority of the original act, the retail farm equipment industry, by administrative order, denied dealers their normal pricing structure.

and immediately opened a meeting of the California Retail Farm Equipment Dealers Association. Minutes of that meeting represented the dealers'

In August, the board selected Strathman as the first association manager (executive vice president), and established dues based on a dealers' annual sales volume.



In 1947, organizers attempted to unionize farm equipment dealers and many small manufacturing firms. Organizers picketed Blackwelder, a Rio Vista manufacturer and Gordon

Hansen Co., a farm equipment dealer. The companies sought injunctions and two days before a hearing on a suit filed against the union they discontinued picketing and the suit was dropped. A March 1947 edition of the *Association Newsletter* reported Case settled a 14-month strike, and Allis Chalmers had one ongoing of equal duration. The consensus was that everybody lost and “only the advocates of communism may claim a gain.” In May, the *Association Letter* reported new offices at 415 Chapman Building, Fullerton, no phone number yet.

The first Annual Convention held Oct. 20-21, 1947, with President Charles Mathers presiding had 189 people registered. Tractors and implements were promoted to transition from steel wheels to rubber ones as evidenced by Goodyear and Goodrich speakers on the program.

Price controls gained attention again in 1948 with the proposed Marshall Plan, including the allocation of tractors and implements for the European Recovery Plan. The 1948 Annual Convention held at the San Carlos Hotel in Monterey, with President Charles Mathers presiding had 393 people registered. Forty-nine people at the banquet were turned away and given refunds because there were not enough meals prepared.

In 1949, the association was involved with width limitations on California highways. Farmers had an exemption for incidental movement, but not equipment dealers. Sales tax crossed up a few dealers who were computing the tax on the factory recommended price but minus freight and handling. The March *Association Letter* pointed out the sales tax was computed on the total delivered price to the customer.

1950s

Association opens to industry partners, shows profit

The January 1950 board of directors meeting in Fresno had two issues on the agenda. The directors approved a group hospitalization, disability, sickness, accident and life insurance program through the national association. They also amended the bylaws to allow for a new associate membership class of manufacturers, branch houses, wholesalers and others similarly interested in the industry.

The federal government under Regulation One froze all wages in January 1951. Shortly thereafter amendments were made for individual employee pay adjustments so long as they were not “subterfuge payments.” Under any of the amendments, an employer was not allowed to increase his costs or his service charge due to these wage increases without specific authority.

The March 1952 Newsletter reported “the USDA has discouraged farmers from applying for a priority for crawler tractors through the Production and Marketing Administration due to a limited supply and heavy demand for industrial and military use.” The association office was in Fullerton and Strathman’s notes show the 1952 Annual Convention at the Hotel California in Fresno with President Clifton Coates presiding was the largest during his tenure as association manager with 611 people registered. The theme was Facing the Future. It was the first convention in which

the brochure credited the Tractor & Implement Club (later the Tractor & Equipment Association) for hosting cocktails and a buffet supper at the event. The T&E Association hosted the event every year after that until it dissolved in early 2020. The association’s financial statement for the year ending Sept. 30, 1952, showed revenue of \$19,804, a net profit of \$841 and a net worth of \$3,336.



In February 1953, the government released the farm equipment retail industry from the regulation regarding the wage and salary freeze and a price ceiling on new and used equipment, parts and shop service charges.

In August 1954, what is now the national Equipment Dealers Association broke ground for a new headquarters building in St. Louis, Missouri.



In July 1955, an amendment to the California vehicle code redefined “implement of husbandry,” removing the words “designed exclusively for agricultural purposes,” which eliminated

the question of whether crawler tractors and other implements were agricultural or industrial.

Far West joined with the National Association for our Annual Convention, October 1957 in Los Angeles with President Ward Keasbey presiding. On Dec. 11, 1957, a Certificate of Amendment to the Articles of Incorporation was filed with the California Secretary of State removing the word "Farm" from the Association's name to create the California Equipment Dealers Association. The name change was approved at the Annual Membership Meeting in October to "legally establish more specific programs and services in the field of industrial sales and service."

Several of the 1958 Association Letters contained articles on granting surplus government equipment to Soil Conservation Districts. In general, districts were granted surplus equipment to carry on soil, water conservation and erosion control work and the districts had to retain the equipment during its economic life or until they have no further need for it. Districts could not sell or dispose of the equipment for one year after obtaining permission from the Soil Conservation Service.



Two important bills for the industry passed in July 1959. One changed the motor vehicle licensing law to exempt farm equipment dealers and salesmen from becoming licensed as a vehicle dealer. The other was an exemption for moving certain over-width equipment over the highways.



1960s

Decade brings automation, leadership change

The Jan. 20, 1960, the *Association Letter* reported in a tribute article that founding member Frank Cornell passed away Jan. 10 at the age of 80. Often called "the father of this dealer organization," Cornell was the first president, and its first national director. The December newsletter published shop rates charged in California based on a panel discussion at the convention: 44 percent of respondents charged \$5.01 to \$5.50 per hour. The remainder ranged from \$4 to \$7 per hour.

During a January 1962 board meeting a resolution passed supporting the Council of California Growers in presenting a united front for agricultural interests to increase knowledge and bring awareness to its challenges.

The March 1964 *Association Letter* published an article regarding the "IRS and Obsolete Parts." The IRS

determined a common industry practice of writing off obsolete parts and retaining them as obsolete inventory was prohibited. It required any write-offs to be disposed of and removed from the premises.

The June 1964 newsletter highlighted a new Electronics Accounting System from the national association in St. Louis. The system provided participating dealers a complete monthly financial and operating statement for \$20 a month.

A July 1965 bulletin noted "in five short days in June an unexpected switch had been made in the Legislature's tax plan with a tax placed on lease and rental of any tangible personal property."

The June 1967 newsletter talked about the California State Fair with a new proposal for the T&E Club's industry participation. It had been 15 years since it discontinued its joint and cooperative display at the fair. The T&E Club rescinded its previous resolution withdrawing industry support and agreed to participate.

The March 1968 newsletter featured an article on the success of the third annual Orchard and Equipment Show

in Colusa, and the first Field and Row Crop Show in Tulare held the previous month. Strathman's report said the Tulare Show was well managed with attendance above expectations. A letter by President William Shervey in October advised the Executive Board of the California Equipment Dealers Association would interview applicants for the position of Secretary-Manager at the Tradewinds Motor Hotel in Fresno. Stan Hill was hired as the association's second manager effective Nov. 1, 1968. On Dec. 5, the Insurance Committee met in San Francisco to select an insurance carrier for a group workmen's compensation program. Six carriers made presentations with the selection going to Sentry Insurance.

The minutes of the May 1969 board meeting reported 239 dealer members and 17 associate members. The association offices were relocated from Fullerton to 1601 N. Main Street in Walnut Creek. There was a change in the format of the Association Letter.

The June 1969 issue was renamed the California Equipment Dealers Bulletin with a new cover folder and for the first time included advertising. The association's financial statement June 30, 1969, showed revenues of \$28,008, with membership dues making up 60 percent of the total. Net worth was \$11,940.



1970s

Association becomes 'Far West,' expands to Arizona, Nevada

At the January 1970 board meeting, directors moved to incorporate Arizona and Nevada dealers into the California association with a suggested new name: California, Arizona, Nevada Dealers Organization with the acronym CANDO.

The March 1970 Bulletin's back cover included an ad announcing that Linney Co. and Gearmore Equipment Co. Inc. merged to form Gearmore Inc. The August issue detailed success with AB 26, sponsored by the association, providing that "Security interests in farming equipment can be perfected by filing with the Secretary of State rather than in the County Records Office." Dealers Wes Kottmeier and Andy Bronson were acknowledged for their work on the bill's success. The May board minutes welcomed newly elected board members from Arizona, Norm Bingham and Sam Stapley, and Les Springmeyer from Nevada.

Amendments to the bylaws were made Nov. 14, 1970, striking the word "California" in the title and adding the words "Far West." The Board of Directors passed a resolution "that the new name of the Association shall be the Far West Equipment Dealers Association."

Articles of Incorporation for the Far West Industrial Equipment Dealers Association were filed with the Secretary of State on June 29, 1971. Its stated purpose in the articles "Shall be to improve and perpetuate

the retail power and earth moving equipment business in the area served by this association." The 1971 Annual Convention was held Nov. 11-13 at the Newporter Inn in Newport Beach with President Robert Power presiding.

The August 1972 Bulletin welcomed associate member Chapin Equipment Co. of Fresno. Their first ad appeared in the September issue and featured "Miss Fitz" promoting tractor weights. Miss Fitz and the by-line "We are Weighting For You" was a regular feature of Chapin Equipment's ads in the Far West Bulletin until the early '90s. The 1972 Annual Convention was held at Harrah's Hotel in Reno with President Jack Walker presiding. It was the largest in recent years with 325 attending. Association Manager Stan Hill reported at the annual meeting that the association had 265 members, including 48 associate members.



In January 1973, the association negotiated with California State Compensation Fund and Arizona State Compensation Fund to create a group workers compensation fund to replace Sentry Insurance. The April Bulletin reported the State Fund in California and Arizona were the newly endorsed carriers for the association.

FWEDA Services Inc. filed with the California Secretary of State as a "for-profit" corporation on Oct. 17, 1974, for taxable revenue for services. Far West continued to qualify for tax-exempt status from the two 501C(6) entities – Far West Equipment Dealers Association and Far West Industrial Equipment Dealers Association.

The March 1975 Bulletin reported the North American Equipment Dealers Association created an Industry Relations Fund to provide financial assistance for manufacturer-dealer relations issues supported by increasing membership dues. (The Industry Relations Fund at NAEDA represents contributions from all the associations, using earnings on the investments, has been sufficient to keep the original investment of the associations intact.)

In April two years later, the California and Arizona State Worker Compensation Fund returned a \$40,071 dividend to the 90 participating members. The May Bulletin announced that Andy Bronzan of Sequoia Machinery, Inc, in Fresno, Visalia, and Five Points, earned International Harvester's highest recognition as the country's first XL Dealer in the United States. At a May board meeting, directors released a statement that "the Association favors the registration and identification of the legal ownership of all types of self-propelled farm and industrial motor vehicles" to legislators, the Farm Bureau, law enforcement agencies, etc. The measure would relieve the personal property tax (on inventory), as well as help law enforcement trace equipment theft.



In 1975 NAEDA elected John Sorenson of Nylander & Sorenson, Dos Palos, as president. Sorenson was the first president of National Farm and Power Equipment Dealers Association (NFPEDA) west of the Mississippi. FWEDA presented Sorenson with a scrapbook with Letters of Commendation from California business leaders, state government officials, Secretary of Agriculture Earl



Butz and President Gerald Ford. Norm Bingham of Casa Grande, Arizona was elected president, the first from outside California in that position.

In 1976, the board developed an Industrial Relations Committee to develop a Power Equipment Dealer Marketing Agreement for assisting dealers with contract negotiations.

The California Board of Equalization created controversy in early 1977 with articles devoted to its Regulation 1661 regarding sales on the full value of rental equipment with adjustments made after rental return. The June Bulletin reported the appointment of Emmons McClung as FWEDA's California legislative consultant. (McClung informed on California's legislative and regulatory activities until ill health forced his retirement in 1994.)

The association fought a bill introduced in the 1977 California assembly that would impose a 10 percent tax on mechanical harvesters to provide benefits for unemployed farm workers who were presumed to be out of work because of the use of mechanical equipment. It died in the 1978 legislative session.

Stu Strathman, the first manager of the California Equipment Dealers Association passed away October 29, 1979, from health issues. He managed the association for 22 years. FWEDA results from the 1979 Cost of Doing Business Study showed gross margins at 22.29 percent; expenses at 18.51 percent; net profit on sales at 3.78 percent; other income at 2.45 percent; and total net profit at 6.23 percent.

1980s

FWEDA services, revenue in endorsed providers

The March 1980 Bulletin reported the final California tax on inventory was paid in 1979. In March, 19 FWEDA members attended the Paris Agricultural and Machinery Show (SIMA).

In early 1981, Far West held computer seminars in San Francisco and Phoenix to provide hands-on education for the association's hybrid-computer system developed by the NAEDA. The association supported a bill to prevent the California Air Resources Board from adopting air pollution regulations



affecting implements of husbandry; it died in the Senate on the final day of the 1981 session.

The March Bulletin noted that Farm Machinery manufacturers in California were accepted as associate members, qualifying them for the State Fund group program. Stan Hill retired on April 5, 1983, after 15 years managing Far West. Barry Bunte replaced him. The August Bulletin reported that FWEDA with nine other affiliate associations invested in the



newly formed Equitrac Insurance Ltd., creating a competitive option for the selection of insurance carriers.

At a June 1984 board meeting, a long-time graduated dues structure changed to a flat fee of \$250 per year for each regular member.

Tenneco's J.I. Case division purchased the farm equipment division of International Harvester Co. in January



1985. John H. Sorenson, FWEDA's first dealer to be elected President of the National Farm and Power Equipment Dealers Association died suddenly Sept. 5, 1985. In October, Ford Tractor Operations purchased New Holland from Sperry Corporation.

Norm Bingham of Bingham Equipment, with seven stores in Arizona, was elected president of the National Farm and Power Equipment Dealers Association during their Annual Convention in Reno in August. Bingham was FWEDA President in 1975-76.

The field sales and marketing operations of Ford Tractor Operations and New Holland combined in early 1987. Federated Insurance replaced Equitrac as the association's endorsed property and casualty insurer.

On Aug. 25, 1988, Executive Vice President Barry Bunte resigned. Gail Clarke was appointed interim executive vice president until Ben Sweeney was appointed to the position in November.

1990s

State fund returns dividends, FWEDA merges with Mountain States Association

For the first time, the California State Fund Workers Compensation Dividend exceeded \$1 million for the 1988 policy year, with dividends disbursed to those participating in March 1990. In December, Ford New Holland and Fiat signed definitive agreements to form a new company with Fiat holding an 80 percent interest, and Ford a 20 percent interest.

Jerry Huerter joined the association staff January 1991 as assistant executive vice president. The March Bulletin reported an all-time high in the California State Fund Workers Compensation dividend for members of \$800,311 for the 1989 policy year. May meetings were held in Ontario, Fresno and Sacramento

to introduce dealers to the revamped NAEDA Financial Ltd. (NFL) retail finance and leasing program. The May Bulletin detailed how Deutz-Allis acquired Hesston from Fiat Geotech. The U.S. Government required Fiat to divest Hesston for its approval of the New Holland acquisition. The June Bulletin announced Deutz-Allis acquisition of White Tractor from White-



New Idea. In June, the board approved the NAEDA Bankcard program featuring a 1.89 percent discount rate. Jerry Huerter was promoted to executive vice president and secretary-treasurer of the association in July, replacing Ben Sweeney.

In September, Huerter testified at a U.S. EPA hearing in Washington, D.C. on the California Air Resources Board plans to regulate engine emissions from off-road equipment. The association board hired a lobbyist in August to introduce dealer protection and buy-back legislation in the California assembly. In October, the Board authorized the executive VP and the former executive VP, Ben Sweeney, to negotiate the purchase of the Farm Credit facility in Dixon with the board accepting Farm Credit Systems offer price for the Dixon facility in December.

In February 1992, California Assemblyman Rusty Areias introduced AB 2478, the Equipment Dealer Bill, in the California Assembly. On March 16, the association office relocated to 110 Vaughn Road, Dixon (the address changed to 2355 N. Lincoln Street in Sep 1997). Two of the three office staff resigned at that time because of the relocation, Gail Clarke with more than 19 years' service and Donna Wallace with more than 10

years' service. Beginning with the May issue, the association's monthly publication became the Far West Bulletin. The association opened its new headquarters in May with a grand opening, 200 dealers and their families attended. In September, Gov. Pete Wilson signed the Equipment Dealer Bill that became effective January 1, 1993.



In January 1993, Ariz. Rep. Gary Richardson introduced HB 2268 in the Arizona House, dealer protection and buy-back legislation similar to California's bill. In May, seven Arizona dealers, Ben Sweeney, and Jerry Huerter attended the signing ceremony at the Arizona Capital with Gov. Fife Symington. The bill became effective July 17, 1993. The third 501C(6) nonprofit corporation was formed; the Far West Rental Dealers Association with the Articles of Incorporation filed March 15, 1993. The new corporation provided the same services for rental equipment yards that were available for the agricultural and industrial dealer members.

At a February 1994 meeting, the board endorsed a University of California at Davis project to build the Western



Center for Agricultural Equipment. The University partnered with the Ag equipment industry to design and pay for the facility. Jerry Huerter chaired the Campaign Committee.

In March 1995, four years after the purchase of the FWEDA offices in Dixon, the mortgage was paid in full. Forty-five dealers contributed to a Voluntary Mortgage Reduction request to retire the debt. For the November 1995 Convention in Palm Springs, the association produced its first convention magazine featuring articles about the association and the convention, with production costs offset by the sale of advertising space sold to suppliers.

In June 1996, FWEDA's 1994 President Jimmie Cox died of cancer at 53. He was serving as past president representative at the time of his death. In October, John Walker, a well-known industry consultant, conducted the first FWEDA University Seminar at UC Davis on Parts Marketing. It was followed by a FWEDA University Seminar in November on GPS and Precision Agriculture.

At a June 1997 meeting, the board of directors adopted the FWEDA Oil Dealers Association bylaws. Articles of Incorporation filed with the Secretary of State March 18, 1997. Its purpose was to provide group California State Fund Workers Compensation Insurance. The



board endorsed the Equipment Dealer Credit Company (EDCO) floor plan program by approving the association's investment requirement so FWEDA members could participate. (Note: EDCO changed their name to Textron.) Directors also approved a \$20,000 contribution and a \$20,000 pledge due July 1998 to the Western Center for Agricultural Equipment Trust. The pledge was offset by contributions and pledges from members. It met the association's goal of \$100,000 contributed by the association and its members. In August, UC Davis announced the Center would be named the Far West Equipment Dealers Training Wing. The 1997 Annual Convention was held Nov. 7-9 at the Hyatt Regency Hotel in Monterey with President Bob Cook presiding. The

50th Anniversary Convention drew more than 400 attendees.

Far West started 1998 with Jerry Huerter testifying before the California Senate Revenue and Taxation committee, on behalf of SB38, sponsored by Sen. Maurice Johannessen, which would extend a 6 percent credit to purchasers of Implements of Husbandry. In March, FWEDA assumed management responsibilities of the Mountain States Association (MSA) and in June, the Mountain States and Far West boards of directors voted to proceed with a merger. The associations approved the merger in July to become effective Aug. 1. At the time Colorado's Field Director Stan Jones was working through a bill in the Colorado legislature to eliminate sales tax on farm equipment. That bill cleared the House Finance Committee with a chance of being approved. The FWEDA board in June 1998 pledged \$100,000 to the Equipment Dealers Foundation (EDF) over the next five years. EDF's goal was to establish an endowment of funds, and conduct, coordinate and monitor the education, training and recruitment needs of dealer personnel. In December, Jerry Huerter retired and Steven Kost was selected as the association's sixth executive vice president.

In May 1999 during the area meeting in Casper, Wyoming, Far West formed the Wyoming Legislative Committee to design a sales tax exemption bill for farm machinery and find a sponsor for the 2000 session. Thanks to the efforts of Colorado dealer members, the Colorado Legislative Committee, Kay Alexander and Stan Jones, FWEDA successfully worked on passage of a sales and use tax bill for whole goods, HB-1002, Colorado Gov. Bill Owens signed in July.

2000s

Far West joins tractor 'march' to defeat sales tax

In May 2000, Colorado Gov. Bill Owens signed HB-1162, a companion bill to HB-1002 and an important win for Colorado agriculture that provided a state sales and use tax exemption for parts used in repair or maintenance of exempt farm equipment.

In March 2001, with the demise of North American Group Insurance Trust, FWEDA's board of directors terminated all field directors. April 2001 was a monumental time at the California State Capital when the streets of downtown Sacramento filled with tractors as

Tractors roll into Sacramento



More than 100 tractor-driving farmers drove in the State Capitol, in Sacramento to show their support of legislation to overturn the state sales tax on farm equipment. Meanwhile, farmers said only three other states fully tax farm equipment and that low commodity prices and high production costs already put California growers at a disadvantage.

California farmers joined Assemblyman Dennis Cardoza and other lawmakers to support AB-7, which eliminated the 5.25 percent state sales tax on the

purchase of farm machinery. The farm equipment dealers in California suffered sales losses as farmers purchased expensive equipment in states that did not charge a sales tax. At the time, California had the highest sales tax in the country on agricultural equipment.

In Nevada, AB243 eliminating sales tax on farm machinery was signed into law in May 2001. This eliminated the county and local tax of 4.5-5 percent once approved by the Nevada voters. Executive Vice President Steven Kost met in early 1999 with Nevada dealers and formed an ad hoc committee to develop a plan of action for successful passage of AB243. September 11, 2001, brought tragedy to our nation with a renewed commitment for strength and unity.

In 2002, Far West established a Political Action Committee (PAC) fund, spearheaded by President Clayton Camp, to pay for political contributions and lobbying efforts. The association took an active role in opposing SB1661, which, if adopted, would have established a 12-week paid family leave entitlement program for all California workers. Through the efforts of members and the business community, the bill was changed from partially paid leave for 12 weeks to a maximum of six weeks of paid leave with all costs paid by employee contribution. Far West also put together a dealer committee to push for the elimination of sales tax on farm machinery in Wyoming. Dealers in Wyoming committed as a group to finance this effort.

In 2003, FWEDA joined Nevada dealers to pass AB 369, dealer protection legislation in Nevada, the association's second to last state without this protection. This bill included warranty language. Hawaii remained the only member state

without dealer protection legislation in place. In California, Far West protected the sales tax exemption from AB923, which would have ended it and sent an estimated \$80 million in proceeds to pay for health insurance benefits for farm workers. Far West continued to work with the Ag President's Council to educate the legislature on impacts to members. In Utah, FWEDA worked to pass HB90, which standardized warranty reimbursement to dealers. It also provided language that manufacturers would also pay travel time on any company mandated fix or safety modifications.

In 2004, Far West monitored state legislation and joined a coalition to help pass Association Health Plans. The association worked with NAEDA to complete the Manufacturer Relations and Wage and Benefit surveys, and provided members with certificates valued at \$1,000 for all regular and \$500 for branch members, to purchase IRON Solutions products.

In 2005, FWEDA introduced legislation in three states. In Wyoming, the association drafted language updating its current dealer protection legislation. In Nevada, Far West regained ground after losing a partial sales tax exemption because the state joined the Streamline Sales Tax Project. Executive Vice President Steven Kost worked closely with Nevada dealers and legislators to combine a FWEDA bill with an auto dealer bill in the final hours of the legislative session. Nevada residents had to vote on the measure to reclaim the partial exemption. In California, FWEDA successfully worked to pass AB585, signed by Gov. Arnold



Schwarzenegger on Oct. 2, 2005, updating the language of the dealer protection act. Staff worked to improve and modernize member communication by improving the quality and look of The Bulletin. Scott Hester, who served on the Far West Board of Directors for many years and was president from 1991-1992, was killed in a plane accident in November.

In March 2006, Ben Sweeney FWEDA's executive vice president from 1988 – 1991 passed away. Executive Vice President Steven Kost was a member of the Industry Relations Task Force, which met with the Association of Equipment Manufacturers, John Deere, New Holland Ag, CIH agriculture and construction divisions, AGCO, Kubota and McCormick/Landini. During 2006, Far West worked on legislative issues in three states. In Wyoming, the association introduced supported HB141, which passed and became effective on July 1, 2006. Changes included dealer succession and warranty language. Far West regained a partial sales tax exemption in Nevada.

In California, FWEDA worked with material handling (forklift) members to combat legislation from California Air Resources Board (CARB). The new regulations called for all non-compliant forklifts to be retrofitted with particulate traps at considerable expense to the forklift industry. The association was successful in delaying and changing the implementation date, along with “carve outs” for small fleets, and reducing compliance costs for many material handling dealers. Far West continued its participation in a coalition to pass Association Health Plans. The measure passed the House on three previous occasions but

never reached the Senate. In 2006, it reached the Senate but time expired before a vote to approve it.

In 2007, Steven Kost worked with the Industry Relations Task Force, meeting with manufacturers to discuss issues specific to their brand. Far West joined affiliate associations in North America using a new web-based database to improve dealer communications. Seven area meetings took place, two in California and one each in Arizona, Utah, Nevada, Wyoming and Colorado with 203 attending the meetings offering tips, strategies and best practices for handling dealer warranties. Nationally, Far West worked with NAEDA to secure sponsorship of a bill that would allow a five-year depreciation on farm machinery. Far West celebrated its 60th Annual Convention in 2007 on Nov. 8-10 at Portola Hotel and Spa in Monterey with Howard Wickham presiding.



Dealer consolidations continued in 2008 but slowed from recent years. The board of directors endorsed a comprehensive program from KPA to help dealers comply with state and federal regulations. FWEDA acquired new software to monitor legislation and promote grassroots advocacy on issues important to you and our industry. Far West finished its fiscal 2007-2008 with a healthy bottom line.

The California Air Resource Board surveyed FWEDA membership to determine the number of diesel units in their rental fleets and hosted meetings throughout the state for stakeholder input to develop regulation language completed by sometime in mid to late 2010, at which time they will give to



the CARB board. The associations held meetings throughout California explaining the Natural Resources Conservation Services (NRCS) program to modernize diesel agricultural equipment. FWEDA continued to work with CA Board of Equalization on issues related to “new tire fees” and on “sale tax exemption certificates.” Far West aligned with industry commodity groups, manufacturers and others to negotiate the best possible regulation for our industry. FWEDA hired a lobbyist and worked with the Wyoming and the Farm Bureau to monitor efforts to eliminate a sales tax exemption. As a member of the NAEDA's Industry Relations Task Force (IRTF), Steven Kost met with manufacturers to discuss consolidations, training, dealer succession, credit issues, the political climate and other issues.

The association completed a Cost of Doing Business Survey for members for the first time in 2009. Far West joined with the other affiliate Associations in North America using a new web-based database to make communication with dealers easier. Facilitated by Tom Rosztoczy in November 2009, the board held two half-day meeting to establish a formal long-range plan.



2010s

Dealer consolidations take hold, “Right-to-Repair” raises its ugly head

Like Wyoming, Colorado saw efforts to raise revenue by eliminating sales tax exemptions in 2010. While it did not eliminate the exemption for farm machinery, legislation passed to tax some agricultural compounds, i.e. chemicals, fertilizer, etc. In Arizona, some counties did not meet PM10 air standard and were advised by the EPA to develop standards regarding farming practices to reduce PM10 (dust).

FWEDA monitored this and worked with Arizona Farm Bureau on this issue.

Far West held Area Meetings from 2010 to 2014 with two to three in California and one each in Arizona, Utah, Nevada, Wyoming and Colorado. The meetings provided dealers with training on aftermarket sales team, selling, financing, guidance and business practices. The meetings addressed legal issues, regulatory compliance and human resources concerns, and updated members on national and local legislative efforts.

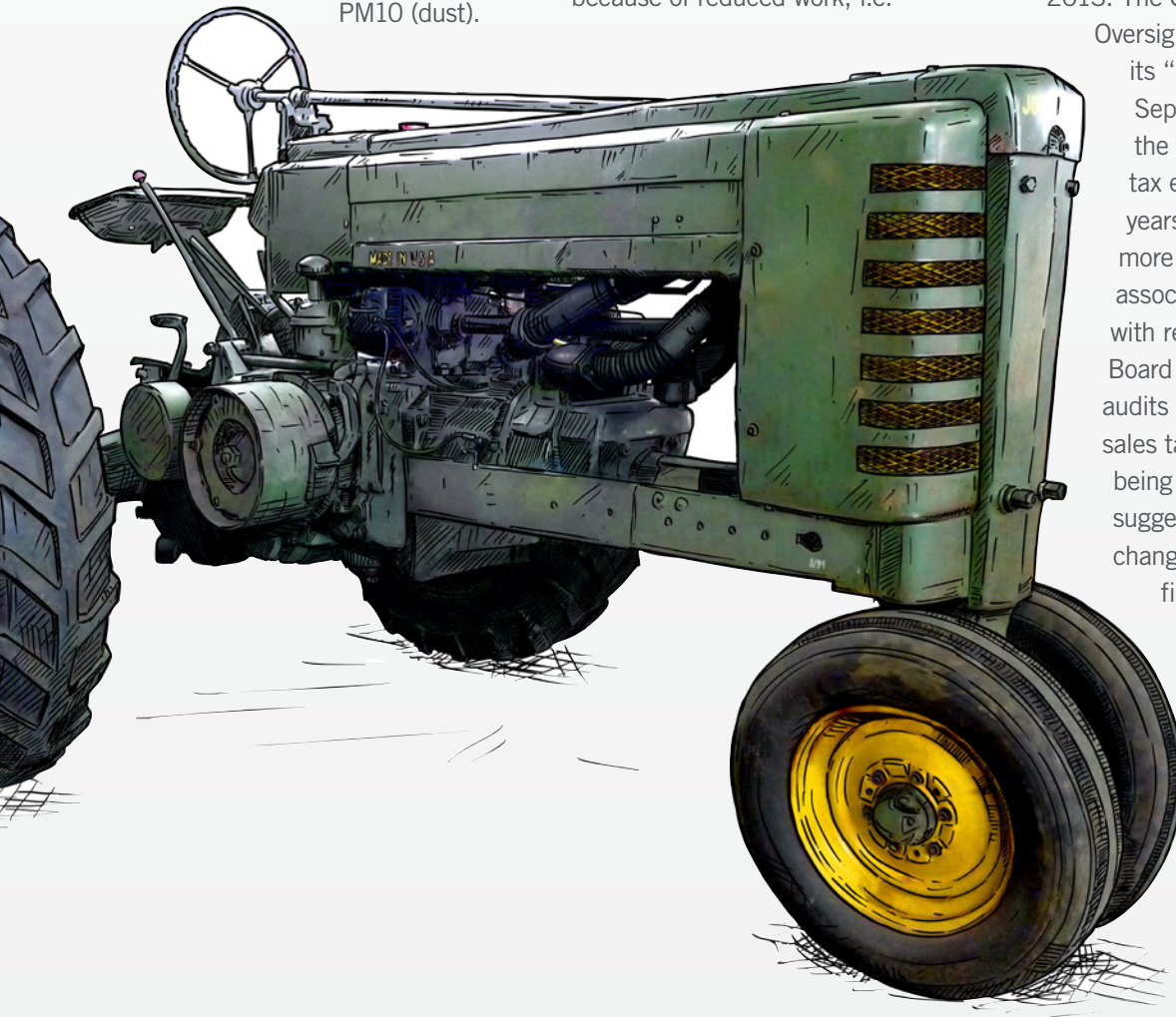
California Air Resource Board (CARB) continued its mission to reduce diesel emissions from all sources. It backed off on the timing because the depressed state economy has substantially reduced emissions because of reduced work, i.e.

construction jobs. Dealers began researching ways to market used equipment outside the state of California, or not accept trade-ins.

In December 2010, the State Compensation Insurance Fund notified trade associations including Far West that it was changing its business model and requirements to participate. The result phased out the state fund program over the next five years, significantly reducing one of the association’s consistent revenue streams.

Far West monitored state legislation within the borders of its states in 2011. California Air Resource Board (CARB) committed to developing control measures to reduce emissions from In-Use Agriculture Equipment in 2013. The California Senate office of

Oversight and Outcome, released its “Bleeding Cash Report” Sept. 8, 2011. The report put the cost of the PARTIAL sales tax exemption for the past eight years at more than \$643 million more than original estimates. The association continued to meet with representative of the State Board of Equalization on their audits of members. At issue were sales tax exemption “certificates” being challenged by the auditors, suggesting the process should change so the producer/farmer files directly with the Board of Equalization (BOE) to receive the exemption certificate.



Even though the industry seemed better off than the general economy, commodity prices were good in most areas, crop inputs rose faster in 2012. Construction and small tractor dealers rebounded somewhat. In California, with the continued drought, water remained a divisive issue. North vs. South. Urban vs. AG, etc. FWEDA worked with dealers and manufacturers to exempt dealers from licensing requirements to dealers who help repossess equipment from their customers. This bill was signed into law by the governor on Sept. 23, 2012.

AB2346 and AB2676 were Agricultural Safety Bills vetoed by the governor Sept. 30, 2012. The impact of these bills would have placed additional burdens on farmers who already work under comprehensive heat-safety regulation.

In 2012, FWEDA was an affiliate of NAEDA, which began its NAEDA Task Force 2100. Recommendations included restructuring and funding NAEDA, creating regional with optional participation, having a CEO lead both organizations, sharing cost and services, and paying increased costs of NAEDA using NAEDA reserve funds. The Far West Equipment Dealers Association board of directors passed a motion to attend further meetings with NAEDA and interested affiliates to take these concepts and develop a detailed structure for the future of NAEDA and affiliates.

Early in 2013, the California assembly amended AB769 to include language that would sunset the sales tax exemptions on agriculture equipment, fertilizers and diesel fuel; among others. However, FWEDA joined in an effort keep this from becoming a reality. (CARB) again committed to developing control measures to reduce

emissions from In-Use Agriculture Equipment for action by its Board in 2014. The goal of a proposed measure would be to accelerate fleet turnover of equipment with engines meeting cleaner NOx and PM standards to tier 3 and tier-4 interim. By using incentives, the industry hoped to delay the mandate for tier 4 final engines. Full implementation to tier 4 final would be 2020-21. To date, the San Joaquin Valley air district had invested \$108 million to replace 1,441 tractors.

AB988 was introduced by the California Motorcycle Association; it designated a new type of utility vehicle now referred to as Recreational Off-Highway Vehicle (ROHV). ROHVs are newly defined as designed for off-highway use, having a steering wheel, non-straddle seating, going faster than 30 miles per hour, and having an engine displacement equal to or less than 1,000cc. In short, this legislation would have required dealers who sold ROHVs to be licensed by the California Department of Motor Vehicles. FWEDA was successful in getting the author of this bill to make it a two-year bill.

The association compiled a state-by-state review of all registration and licensing requirements for dealers who sell ATVs, UTVs, or ROHVs. It is available on the FWEDA members only website portal.

The FWEDA Board of Directors met March 4, 2013, about NAEDA's TF2100 Recommendation. The board agreed about the need for a strong national equipment dealer organization. Far West agreed to have three representatives attend an exploratory meeting of how it could look and function.

The Executive Summary suggested authorizing NAEDA's board and CEO

to negotiate an agreement with certain affiliated associations that results in a merger between NAEDA and those affiliated association (as of this date, this would be Canada West and Southwestern Assn.). FWEDA was not interested at the time, but it gave future board members an option down the road as the Executive VP neared retirement age. There were concerns were about engaging in local issues important to West Coast dealers and



shared assets. At a November 8, 2013, meeting the board moved to establish an ad hoc committee to begin formal discussion with Pacific Northwest Association on a possible merger.

In 2014, dealer consolidations continued, and to a smaller degree, manufacturers consolidated. Regulatory rules continued to pass for everything perceived harmful. Among the biggest issues facing FWEDA membership was water supply. Extreme drought in western states meant nearly a million acres of productive farm ground went unplanted. California asked voters to pass billions of dollars in bonds to finance water infrastructure projects; legislation to regulate ground water use and a host of other costly mandates were already in place.



Although many areas of the country planned for a reduction of sales in 2014, Far West dealers saw increased sales in pockets where commodity pricing was especially strong, which translated into sales growth. California growers saw historically high prices paid for almonds and walnuts.

In California, the industry and FWEDA supported AB 2114 to provide clarity and efficiency to the process of collecting the applicable taxes for rental construction equipment.

In Colorado, Far West tracked Senate Bill 13-280, pertaining to the titling of off-highway vehicles (OHVs). The law went into effect July 1, 2014.

FWEDA's Board of Directors approved a \$100 assessment per member for NAEDA to continue working on the important projects. Contributions to the Industry Relations Fund allowed FWEDA to retain legal counsel to review contracts that impact all dealers carrying a particular brand, and to provide input to manufacturers that often resulted in changes to these contracts for the benefit of dealers.

Executive Vice President Steven Kost notified the board he would retire in the next few years. In 2014 and 2015, the board addressed challenges facing the association, including the Executive VP succession plan. The association explored a merger with either Pacific Northwest Association or Western Equipment Dealers Association. After meetings with PNW, WEDA and the FWEDA board, the association elected to stay the course, which meant the Executive VP would remain for the next few years. The Equipment Dealers Association (EDA), formerly known as North American Equipment Dealers Association (NAEDA) became a direct member organization engaged



in the retail sale of ag, construction, industrial, forestry or OPE products. FWEDA would be an affiliate member and as such, would not have a right to vote in EDA matters. Member dealers are eligible to vote and FWEDA has a director on the EDA board.

In late September, the membership voted to approve two board resolutions, to amend the by-laws related to the board of directors' governance and terms, and a second to approve the merger of its three tax exempt entities, Far West Equipment Dealers Association, Far West Rental Dealers Association and Far West Industrial Dealers Association, simplifying the structure. The board eliminated one officer position (Second Vice President), removed the automatic succession of chairs, and permitted an officer to serve two consecutive one-year terms in each officer position. The fourth member-based entity, Far West Oil Dealers Association, was not included in the merger.

EDA moved to a direct membership structure so Far West removed references to NAEDA. Also, the board of directors incorporated the title of "Chairman" rather than "President" for board leadership positions. The board also recommended the bylaws reflect a range of seven to 11 board members.

The FWEDA Futures committee met with PNW committee. After considerable discussion and due diligence, the committee wanted more time to review options. FWEDA reviewed two other options, a potential merger with Western Equipment Dealers Association and EDA.

The Far West Board of Directors spent nearly three years determining the association's future and at a June 2016 board meeting moved to merge with Western Equipment Dealers Association, citing a pending leadership change, declining revenue, and the need for meaningful services and valuable to dealers to meet FWEDA's mission statement of being "committed to building the best business environment for Far West members."

Board leadership was notified on Oct. 21, 2016, by Kahn, Soares & Conway that the motion to merge failed by the vote of the members. The board's number one priority became to determine where and how FWEDA would move forward. The association experienced a sharp decrease in membership resulting from the failed merger, dealer consolidations and other changes that followed.



FWEDA's Wyoming lobbyist Tom Jones met with the Wyoming Legislature's Joint Revenue Committee in Buffalo, Wyoming, September 23, 2016, about the potential sales tax reinstatement. Jones told the committee Wyoming would be in the top five states nationally in sales taxation of farm equipment. Sen. Ogden Driscoll, a rancher from northeast Wyoming, made the motion to continue the exemption, the committee voted to approve.

In Arizona, FWEDA signed on to coalition to fight Proposition 206 to raise the minimum wage for Arizona employees including farm laborers. FWEDA joined the Arizona Chamber of Commerce, Western Farm Growers and others urging legislators to vote no on new mandates. Prop. 206 called



for a 50-percent increase in the minimum wage, imposing new mandates on employers for employee leave, and it would have allowed cities to

form their own wage ordinances. These new costs were particularly difficult for small businesses to absorb. Voters passed the measure.

As a founding member of the California Ag Presidents Council, Far West has been active in all aspects of California agriculture. The 2016 session saw legislation signed by Governor Jerry Brown including agricultural employee overtime phased in beginning 2019; and SB 197 for which the Department of Business Oversight (DBO) requested amendments that forbid any dealers who send retail contracts to their financial partners to be paid a referral fee in connection with that loan unless they are licensed by DBO. Unlicensed persons can engage in these activities without becoming licensed, but they cannot receive any type of referral fee.

FWEDA participated with the Utah Farm Bureau, at its annual meeting, in the discussion of whether to pursue “right-to-repair” legislation in Utah. The “right-to-repair” legislation argued that it would lead to increased competition and decreased prices for consumers. What it didn’t say is that this type of legislation does little to protect consumers and instead jeopardizes

both safety and emissions protection. FWEDA opposes attempts to pass “right-to-repair” legislation in its seven-state territory.

The Annual Meeting was held as an open forum at the 2016 Annual Convention, Nov. 2-4, in Newport Beach, California. Chairman of the Board Jason Wickham addressed the members regarding the merger vote and what the board planned to lead the association into the future. The board voted to establish a CEO Search Committee made up of two past presidents, two current board members and Steven Kost. They were charged to have finalist names to the board by the March board meeting. The board also implemented a plan to develop a comprehensive survey of our members to develop a strategic plan going forward.

Members commented on how the association could better serve the needs of members, what they liked about FWEDA, what was missing, what represented roadblocks and what goals and objectives should be, and submitted ideas regarding dues, and being strategic vs. tactical.

In January 2017, Wyoming Rep. Hans Hunt introduced HB 199, a “Right-to-Repair” Bill that would require manufacturers to provide the same diagnostic tools, repair and service information that authorized dealers receive. The proposed bill was the first of its kind in the nation aimed at agricultural equipment. While the bill narrowly passed the Agriculture Committee it did not advance in the legislature.

In June 2017, the board conducted final interviews for a new president and CEO to replace Steven Kost, who was retiring. The search committee

narrowed finalists and selected Joani Woelfel as the new FWEDA president and CEO, she began her role in mid-July as Steven Kost and Luella Warren both retired July 31, 2017.

The 2017 Annual 70th Anniversary Convention took place Nov. 1-4 at the Portola Resort in Monterey, California. Steven Kost was recognized for his service and commitment to the association. The Annual Membership meeting was lively and led to requests for association bylaws amendments that modified regular membership voting from one vote per dealership group to one vote per dealership location and restructuring membership categories. The board agreed and members voted in favor of the amendments.

January 2018 started with model “right-to-repair” bills introduced in Wyoming and California. The bills misled lawmakers into believing that end users could not repair their equipment. Wyoming HB 91 advanced to committee. FWEDA coordinated a demonstration of these tools that allow users to repair their equipment. Lawmakers indicated they were satisfied dealers were empowering end users to diagnose and repair their equipment, and the bill was indefinitely postponed.

February 1, 2018, to the extent not already available, the Association of Equipment Manufacturers (AEM) and the Equipment Dealers Association (EDA) made a joint industry commitment, as a Statement of Principles, to provide comprehensive service information and diagnostic tools to end users of farm equipment for tractors and combines in model year 2021.

California AB 2110 was introduced by Asm. Susan Eggman, targeting



consumer electronics and encompassing ag and other types of equipment.

FWEDA coordinated a Dealer Day at the Sacramento Capital where Far West dealers and industry representatives met with lawmakers to discuss the bill and its unintended consequences. FWEDA also coordinated a demo of equipment and tools for lawmakers and California Farm Bureau. In September 2018, FWEDA, Eggman and Jamie



Johansson, president of California Farm Bureau Federation, signed a memorandum of understanding memorializing the equipment industry's commitment to its 2018 Statement of Principles. Eggman withdrew the proposed legislation.

At the board's direction the new CEO initiated a comprehensive evaluation of Far West's business operations and

the development of a strategic plan using results of the 2017 membership survey, which highlighted member priorities including state and federal advocacy, manufacturer relations, and dealership support.

The strategic plan adopted by FWEDA's board in March 2018 identified focus areas: Value Proposition, Marketing Improvements, Succession Planning, Outsourcing, Retain/Grow Membership, Association Structure/Staffing, Financial Sustainability. The plan identified strategies to achieve these objectives and include key performance indicators.

The strategic plan included a new marketing and communications



strategy, and updated the association's mission and vision statements, and core values. FWEDA's new mission statement: "Promoting and protecting the interests of our members," was

adopted. The board also selected a portfolio manager to manage its investment portfolio and revise its investment policy.

The Association transformed its business practices to automate and streamline operations with cloud-based services, remote access and a new accounting system. Board books were replaced with online meeting materials and staff developed a digital board orientation brochure for incoming board members. The board approved an updated logo design and a new website. The associations "Bulletin" magazine became FARWEST Dealer and became available in a digital format. The association also redesigned its Endorsed Provider model into a Preferred Partner model. FWEDA expanded its support for dealers with the Dealer Helpline.

In March 2018, FWEDA leadership participated in the Washington, D.C., Fly-in hosted by EDA and the Associated Equipment Distributors, lobbying legislators about transportation, infrastructure, taxes, rural broadband and workforce development. FWEDA joined a coalition led by EDA in support of the USMCA, signed in November 2018.

California SB 3, passed in 2016, authorized the increase of the California Minimum Wage to \$15 per hour by 2022 or 2023. Its passage raised concerns about how a section of Wage Orders, specifically Section 9(B) of Wage Order Number 7 (and several others) will be enforced in the future. FWEDA worked with legal counsel for guidance on developing personnel policies to ensure compliance in the future.

The Supreme Court's South Dakota v. Wayfair Inc. ruling in June 2018

changed the way states charge sales tax and FWEDA states adopted regulations to assess sales tax on retailers doing business in their state based on economic nexus — requiring sellers to collect sales tax in states where the seller's sales exceed the state's monetary or transactional threshold — regardless of whether they have physical locations in the state. FWEDA produced a Sales Tax Assistant to help dealer navigate the changes, which is available on the members only portal.

As a follow-up to the Wyoming “right-to-repair” bill's withdrawal in the legislature, Far West CEO Joani Woelfel and Owen Palm, CEO of 21st Century Equipment, met with Wyoming Farm Bureau representatives in October where FWEDA agreed to produce a series of articles on “right-to-repair,” equipment modification, and safety and emissions considerations for its publication. Woelfel represented FWEDA at an industry Government Affairs meeting in Milwaukee, Wisconsin, to discuss legislative issues including “right-to-repair” legislation across its territory of seven states and the country.

FWEDA members also voted to amend the association bylaws to include clarifying the dealer member category, creating additional categories, changing voting rules to allow one vote per dealership location vs. one vote per dealership; and adjusting the quorum requirement.

FWEDA ended the year with a special treat when legendary Notre Dame football coach Lou Holtz headlined the 2018 Annual Conference at the Indian Springs Resort in Palm Springs, California.

Based on an assessment of work needed to maintain and upgrade

FWEDA's office property in Dixon conducted earlier in the year, the FWEDA board passed a resolution directing the CEO to place the property up for sale due to excessive maintenance and repair costs, and increasing operating expenses. The property sold for \$637K and closed December 31, 2018, positively contributing to the association's year-end financial performance. The FWEDA office relocated to a lease property in Davis, California. During the move, FWEDA staff found a treasure trove of documents, photos and memorabilia used to launch The History Project in anticipation of the association's 75th Anniversary in 2021.

The board voted to participate in a renewed discussion with EDA's long-range planning group formed the previous year to explore a potential unification with other regional associations and EDA. In June, the board further directed the CEO to submit financial and organizational documents to the planning group for review, and to participate in the next joint meeting on July 28-29, 2019, in St. Louis, Missouri.

In January 2019, FWEDA opposed Hawaii's two separate “right-to-repair” proposals, SB425 and SB89, which did not advance and carried over to the 2020 session. FWEDA CEO Joani Woelfel, Nevada dealers Don Renner, Renner Equipment, and Dan Smith, Smith Valley Garage, met in February with Nevada Asm. Robin Titus to discuss the negative implications of passing a proposed right-to-repair” bill. The bill was not introduced. FWEDA also worked with dealers in Utah to convince a possible “right-to-repair” bill sponsor not to introduce legislation there. In July 2019, the Federal Trade Commission held a “Nix the Fix” workshop on alleged “right-



to-repair” restrictions. FWEDA dealers participated in an EDA survey of equipment tampering submitted to the FTC in advance of the session.

Far West introduced the Ambassadors Club, a comprehensive membership initiative to recruit and retain members. It included hosting membership recruitment events in conjunction with board meetings, these were held in Arizona at The Stockyards, in Denver, Colorado, at Morton's Steakhouse, and at the Hyatt Regency, Newport Beach, California.

The 2019 Washington, D.C., Fly-in included a tour of the U. S. Department of Agriculture in conjunction with the release of its updated Census of Agriculture survey. Far West executive and board leadership participated.

In July 2019, FWEDA working with a coalition led by the Ag President's Council fought back efforts by California Asm. Hannah Beth-Jackson's SB468



to eliminate the sales tax exemption on ag equipment. The bill would have directed the Legislative Analyst's Office (LAO) to study “tax expenditures,” establish deadlines for completion of

the studies, and report findings and recommendations to the Legislature, with the intent of eliminating of tax exemptions. The bill did not advance.

FWEDA sponsored and participated in the Equipment Dealers Foundation 2019 Workforce Development Summit during the GIE+Expo in Louisville, Kentucky, in October, with Joani Woelfel moderating a panel discussion on “Recruitment & Retention Strategies that Work for Equipment Technicians.”

Far West’s Board of Directors approved revisions to the Association’s Annual Scholarship program, increasing funds to be disbursed as well as expanding education opportunities beyond four-year colleges to community colleges and certification programs that prepare technicians to work in dealerships. The association also approved new revenue-producing industry partnerships for healthcare and other related business. With the non-renewal of the last oil dealer during the 2018-2019 membership year, the board of directors approved a resolution effective fiscal year-end 2019 dissolving the Far West Oil Dealers Association.

Far West was a founding member of the newly formed Coalition Opposed to Illegal Tampering announced by EDA ahead of 2020 legislative sessions across the country. The Coalition weighs in on the widespread risks that vague and overly broad “right to repair” bills proposed across the United States and Canada can have on end users. The coalition’s illegaltampering.com also provides dealers, legislators and end users with resources and education about the implications of modifying equipment horsepower and emissions systems. “Our coalition encompasses many different industries – but we all recognize the safety and environmental risks that this type of legislation

would create,” CEO Joani Woelfel said in an article published by Farm Equipment Magazine.

Arizona Rep. David Cook, R-8, planned to introduce a model “right-to-repair” bill but declined amid a personal scandal involving a lobbyist advancing the legislation. Colorado Rep. Brianna Titone, D-27, introduced HB 1195, the “Consumer Digital Repair Bill of Rights,” which was assigned to the House Committee on Business Affairs & Labor. Far West organized a Legislative Day Feb. 27 at the Colorado Capital in Denver. Dealers and industry representatives met with committee members including Titone, who hosted a meeting with FWEDA, independent repair advocates and the Rocky Mountain Farmers Union. The committee did not hear the bill and indefinitely postponed it in May.

In Hawaii, SB 2496 and HB 1884 companion bills were introduced. Woelfel provided testimony to the House Consumer Protection & Commerce Committee opposition: “‘Right-to-Repair’ legislation as represented in this and other similar bills can be misleading. To be clear, we are not suggesting this is the intent of the bill’s sponsors. We are simply providing a perspective that these bills have been introduced in state legislatures across the country for the past several years. Of the more than 23 bills introduced, NONE HAS PASSED.” Neither bill advanced during the session, both were held over to 2021.

FWEDA joined the Alliance of California’s Farmers and Ranchers to successfully defeat Proposition 15, the split roll tax initiative would have removed property tax protections for agriculture and commercial real estate preserved by Proposition 13 (1978). The measure was defeated by voters.

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. The White House Office of the Public Liaison facilitated direct communications with Far West to receive COVID information as it was released from the White House, the Department of Homeland Security (DHS), Centers for Disease Control (CDC), Treasury Department, OSHA,

Federal Drug Administration (FDA) and others. FWEDA participated in daily/weekly conference calls with the Federal Emergency Management Agency (FEMA) and DHS Security Cybersecurity & Infrastructure Agency (CISA), which developed criteria for the Critical Infrastructure Workforce, to declare equipment dealers as essential workers. FWEDA mobilized these resources and partnerships across the industry, including the Ag Presidents Council, to develop its COVID-19 Resource Page with easily accessible and up-to-date information on the supply chain, COVID and travel restrictions by jurisdiction, health and safety information, and labor and employment guidance. FWEDA’s Dealer Helpline provided employer resources and guidance to address OSHA and CDC concerns for employees, and for PPP loans to dealership organizations.

FWEDA launched its Leadership Series in March 2020 with its first session with industry partner presentations, updates on legislative advocacy and leadership training with former Navy Seal Shannon Rusch. As a result of COVID restrictions, the series scheduled in June and September were canceled. Far West produced a Membership Resource Guide outlining FWEDA’s



mission, benefits and how dealers can make the most of their membership. The board approved the Dealer Pathways Program, a comprehensive workforce development strategy to aid dealers in recruiting and retaining skilled labor. Its implementation was delayed by COVID.

The EDA planning group updated the board in March on the status of the proposed merger of three regional associations with the national association.

California Gov. Gavin Newsom announced the most restrictive lockdowns across Far West territory on March 19, 2020. Other states followed suit with lockdowns and restrictions continuing through year-end. The FWEDA board directed CEO Joani Woelfel to schedule remaining quarterly board meetings virtually and cancel the 2020 annual conference scheduled for November in Henderson, Nevada, near Las Vegas.

In June, the board voted to engage the University of Arizona Eller College of Business Management Consulting Program to develop a benchmarking online survey asking dealers in Arizona, California, Hawaii, Nevada, Utah, and Wyoming to contribute three years of data related to their investment in: Training for parts and service personnel, including what is required to keep skills current; tools to perform repairs; and technology related to diagnosing and repairing equipment. The study includes employment, labor cost, tools, technology, and training data across sectors of the equipment industry drilled down to the regional level.

The board voted in August to advance the strategic plan focus areas related to FWEDA's value proposition, financial sustainability, growing and

retaining membership, and marketing improvements, by working with FabCom, a strategic marketing firm based in Scottsdale, Arizona, to develop a three-year comprehensive marketing and positioning strategy. The strategy provides a detailed implementation plan that includes participating as a Beta test for the new HReality technology that seeks to transform business interaction and communications, conferencing, remote work, sales, lead generation and analytics. The strategy identifies revenue-generating opportunities from the virtual reality platform and other initiatives. COVID restrictions that interrupted business activities delayed the launch to November 2021, in conjunction with FWEDA's conference in Monterey. The strategy was introduced to members at the November 2020 virtual membership meeting.

California Gov. Gavin Newsom issued an emergency proclamation advancing a climate change agenda, ramping up the transition from fossil fuels to zero emissions vehicles, fleets, on-road equipment, small off-road equipment, large-spark ignition (LSI) and large off-road equipment where feasible.

In October, the association board in a divided vote rejected a motion to hold a membership vote prior to June 1, 2021, on whether to participate in a merger with EDA, WEDA, UEDA and MSED.

FWEDA joined a coalition against Arizona Prop 208, a ballot measure to drastically increase income taxes with a 3.5 percent increase in addition to a 4.5 percent income tax on those earning more than \$250K single filers/\$500k joint filers. Although voters approved the measure, the Supreme Court ruled its framework unconstitutional in August 2021.

2021

Far West enters new decade with renewed mission, strategic direction

A new decade begins with a renewed mission to support equipment dealers through innovative new initiatives to transform dealership businesses.

Colorado Rep. Brianna Titone, D-27, returned March 5 by filing HB21-1199, the "Consumer Right to Repair Digital Equipment" bill, referred to the Business Affairs & Labor Committee. FWEDA coordinated a virtual demo of the diagnostic and repair tools available to end users. Russ Ball, 21st Century Equipment, and manufacturer representatives provided Titone with a comprehensive review of how the tools work during the March 12 demo, which was recorded and provided to committee members. FWEDA met virtually with committee members the week of March 22 to discuss the negative impacts of the bill. The committee heard the bill March 25 and voted 12-1 to postpone indefinitely.

Nevada AB 221 was introduced March 9, a "right-to-repair" bill related to equipment valued at \$5,000 or less. A committee hearing scheduled overnight Friday, March 26, for 6 p.m. March 29, had



FWEDA quickly coordinate testimony for the call the day of the hearing. Don Renner, CEO of Renner Equipment, Rob Jackson, of Stotz Equipment and Blaze Griffin, owner of Carter Agri-Systems, testified against the bill, requesting an exemption detailed by Far West. The Assembly Committee on Commerce and Labor hearing adjourned without action. Hawaii's SB 2496 and HB 1884 companion "right-to-repair" bills held over from 2020 did not advance through the legislature.

U.S. Rep., D-NY, introduced the "Fair Repair Act," a national Right-to-Repair Bill, on June 17, 2021, as the Environmental Protection Agency (EPA) increased enforcement of illegal tampering. President Joe Biden issued a July 9 Executive Order on "right-to-repair" that he said intends to promote competition in the American economy.

The Federal Trade Commission, under pressure from politicians and independent repair advocates repair.org, uspirg.org and others, issued a report to Congress May 6 and held an open Commission meeting July 21 to discuss its position and hear public comment. Joani Woelfel explained to commissioners the industry's concerns about policy that would provide unlimited access to

software that can be used to override equipment emissions and safety controls. "We support and facilitate consumers' right to repair their equipment, we oppose the right to modify software. We welcome the opportunity to demonstrate to the commission how dealers support consumers in diagnosing and repairing their equipment making regulations unnecessary," Woelfel said. Immediately following the meeting, the FTC issued a policy statement asserting, "the Commission uncovered evidence that manufacturers and sellers may, without reasonable justification, be restricting competition for repair services in numerous ways." The statement concluded: "The FTC will also closely coordinate with state law enforcement and policymakers to ensure compliance and to update existing law and regulation to advance the goal of open repair markets."

In July, the board retained Shane Wilker as a Dealer Development Consultant to conduct outreach and support dealers across FWEDA territory, to help recruit new members, to drive the association's Dealer Pathways Program for workforce development, and to assist in coordinating regularly scheduled dealer meetings in FWEDA states.

D-24, introduced AB 1346, codifying the California Air Resources Board (CARB) efforts to ban the sales of new gas-powered, small off-road outdoor equipment (SORES) effective Jan. 1, 2024. FWEDA working with the Outdoor Power Equipment Institute (OPEI) and a coalition of associations impacted by the bill attempted to defeat the bill. FWEDA and OPEI met with legislators to discuss the ramifications to businesses. The state became the first to ban gas-powered lawn equipment when Newsom signed the bill Oct. 9.

Far West continues to track legislation related to COVID restrictions, OSHA's emergency temporary standards, and water issues from the ongoing drought and labor issues. In Colorado, FWEDA participates in a coalition opposed to an Employee Trip Reduction Program, which questions the feasibility and overreach of such a mandate.

In September, FWEDA renewed its support of the WCAE in 2021 by endorsing a \$65K Smart Farm Big Idea grant as part of a \$500k effort by the college to advance new initiatives. FWEDA dealers also support the program with equipment for students.

The Far West board voted to retain the Storyline Group to develop an archive of FWEDA's 75 years of history. The initial approval provides for organizing, categorizing and documenting the association's 75-year history through documents and photographs. A second phase could create a searchable database of the archive.

FWEDA is scheduled to celebrate its 75th Anniversary at the annual conference, Nov. 10-12 in Monterey, California.

California Gov. Gavin Newsom's 2020 order transitioning the power grid to "zero emissions," triggered the California Air Resources Board to implement regulations banning the sale of new combustion engines and gas-powered equipment as early as 2024. Asm. Marc Berman,

