CRANE CARRIER

The City of New York has awarded Crane an order of 235 vehicles. In turn, we will supply 100% of our 18F3 front axles and 125 sets of DP485-P. Single rear drive axles will be Rockwell since we do not have a 16.5 X 7 brake that will certify at 27,500 pounds.

FREIGHTLINER CORPORATION

Engineering

The Freightliner air brake standardization has been completed. Implementation will take place early in the first quarter of 1987.

Our 402 axles are being released for January availability. The change to the "white" style housing will be postponed until May 1987. "White" housings, half-round yokes, 461, 521 axles will all occur simultaneously with the May time.

Due to an urgent meeting in Germany, the Freightliner visit to our Galesburg facilities has been cancelled. At this time it appears that March 1987 will be the earliest possible time for the meeting to be rescheduled.

Marketing and Sales

Data book revisions will be issued late this month. The effective date is January 1, 1987. These revisions will have our 402, 460 and 480 axles available for the 112 series truck models. All other truck models will show the 402, 23105S and the 23105C. Our 461, 521 axle will remain unpublished (unrevised) until July 1987 revisions.

Freightliner will have ended 1987 with the highest daily production rates in the history of the company. They expect their share to hit the 19-20% level, feeling that the share increase will have been taken from Navistar and Mack.

Thus far, they expect to have strong order boards through mid-February 1987. The expect their share to increase slightly in 1987, with 1987 market to be very similar to that of 1986.

KENWORTH TRUCK COMPANY

Engineering

Eaton brakes with non-asbestos linings are being released in December 1986. The change will be implemented on a plant by plant basis allowing existing inventories to be exhausted prior to using the new non-asbestos lined brakes. Complete change over should occur prior to February 1, 1987.