

**Written Testimony offered on behalf of:
Murphy Tractor & Equipment Co.**

**IN OPPOSITION TO:
S.B. 73**

Sent Via Email Committee on Financial Institutions and Technology

Hon. Niraj Antani
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Hon. Steve Wilson
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Hon. Robert Hackett
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Hon. Stephanie Kunze
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Hon. Kent Smith
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Hearing: March 21, 2023, at 9:30 AM

Murphy Tractor & Equipment Co. OPPOSES S.B. 73 UNLESS AMENDED

Good morning and thank you for the time to provide input on S.B. 73 from the perspective of a John Deere Construction and Forestry Equipment dealer. My name is Jeremy Taylor and I am the Director of Murphy Tractor's Midwest Region. Murphy Tractor & Equipment operates 30 branches in Ohio, Kansas, Missouri, Nebraska and Iowa. Within the state of Ohio we have 10 locations and employ around 200 individuals. We have branches in Cincinnati (within Senator Blessing's district), Vandalia (Senator Antani's district), Painesville (in Senator Smith's district), Columbus (just east of Senator Kunze's district) as well as Brunswick, Cambridge, Canton, Perrysburg, Jackson, Lima, and Poland. We continue to invest in our physical locations including a new facility in Brunswick in 2018 as well as our newest location, opening next month, in Rossford to better serve the Toledo market. Our investment extends beyond just bricks and mortar. To provide the best possible service, our technicians receive over 160 hours of factory training per year. We operate 44 field service trucks to provide onsite support. Recently we have added internal parts delivery vans to move the parts critical more efficiently to keeping our customers operating from branch to branch and to offsite parts delivery locations to better serve more remote customers. Finally, we invest in our customers success by having over \$9 million in parts within Ohio and over \$33 million in parts within our total footprint. This investment allows us to fill more than 75% of all parts requests within the same day and 96% of all requests within 24 hours. It is our position that this bill, as currently written will lead to fewer, less optimal options for the companies across Ohio that build and maintain the critical infrastructure so important to the economic well being of the entire state.

The immediate impact of this legislation would be a reduced investment in parts inventory within our dealer footprint. Customers will increasingly be forced to purchase parts either directly from John Deere via online transactions or other third-parties, dominated by large global retailers, many of which already participate in this market. We believe this ultimately provides fewer choices to our customers, less access to local expertise and longer lead times for parts critical to their operation.

Beyond access to parts from multiple sources it is important to note that construction equipment is inherently dangerous and complex. Unauthorized modifications and improper repairs can impact performance and safeguards built into modern construction equipment. An example would be changing the speed at which a machine moves or operates making it unsafe to both the operator and those in the surrounding area. Additionally, our equipment contains emission technology in compliance with federal regulations. Unauthorized modifications could override this technology resulting in a negative impact on our environment while placing the equipment in non-compliance with the Clean Air Act. As a result of these safety and environmental issues, Murphy Tractor & Equipment position is that we are in full support of the "Right to Repair" but not the "Right to Modify".

John Deere and Murphy Tractor & Equipment provides tools and parts to support a customer's "Right to Repair". Customer Service Advisor is a diagnostic program that provides the same technical information that is used by our own technician's to repair equipment. The latest Construction equipment is also equipped with JDLink technology that, along with other productivity enhancing features, can remotely notify customers of issues with their equipment, allowing repairs to be completed at a time and means of the customers discretion.

Most of the points I have just discussed either have been or will be shared by my peers during their testimony. I'd like to share a more personal story and introduce you to a man named Tucker. Tucker has worked as a John Deere Parts Rep for almost 60 years. While not a glorious high-profile position, Parts Representatives are critical to our success and the success of our customers. Tucker is dedicated and hard working but more importantly the face of our organization to many in the Ohio construction industry. You can meet Tucker at our Columbus branch, he's there 7:30 to 5 Monday through Friday. Customers come to Tucker for help identifying parts on a wide range of equipment both new and old. His experience helps to keep the very companies who build Ohio's critical infrastructure up and running. When asked what he likes best about his job Tucker would tell you it is talking with customers, helping them find parts and more importantly helping them solve problems.

Senators, Murphy Tractor has many Tuckers across our Ohio footprint. My peers, either testifying today or hard at work, also have many Tuckers working at their locations. Without modification, this bill would impact their lives by forcing a reduction in the parts carried locally. This would also negatively impact our customers as they would lose access to the type of knowledge and experience that comes with many years of

dedication to helping our customers keep their fleet of equipment operating and productive.

While I have no doubt that this Bill was written based on principles of a free market, a philosophy that I support and assume most if not all of you also support. I would suggest that, as currently written, this bill causes contractors, farmers, other organizations that use our equipment as part of their business and stakeholders in our community more harm than good. I applaud the efforts that Senator Blessing has done to exclude agriculture and forestry from this bill, however, that exclusion is inadequate based upon the large number of cross over customers and parts commonality that would put Construction dealers at an unfair disadvantage. Therefore, Murphy Tractor & Equipment respectfully requests an unfavorable committee report on S.B. 73 unless it is amended to include the full non-road amendment which is set forth below. Thank you for your time and consideration of this testimony.

Sincerely,
Jeremy D Taylor
Region Director
Murphy Tractor and Equipment Co.

Non-Road Amendment as enacted in New York State

Manufacturers, distributors, importers or dealers of all off-road (non-road) equipment, including without limitation, farm and utility tractors, farm implements, farm machinery, forestry equipment, industrial equipment, utility equipment, construction equipment, compact construction equipment, road-building equipment, mining equipment, turf, yard and garden equipment, outdoor power equipment, portable generators, marine, all-terrain sports and recreational vehicles (including racing vehicles), stand-alone or integrated stationary or mobile internal combustion engines, other power sources, (including without limitation, generator sets, electric/battery and fuel cell power), power tools, and any tools, technology, attachments, accessories, components and repair parts for any of the foregoing.