Fortis Case Study
The Wine Group

Description
- The Wine Group has been in business since 1987. With annual sales of $300M it is the 3rd largest US winery behind E&J Gallo and Constellation Brands. It is the 45th largest overall beverage producer in the US with a volume of 40 million cases a year.
- The lease with full maintenance on its fleet of cushion tire 4,000 - 6,500 lb trucks was due to expire.
- Cascade clamp attachments were required.
- Application involved moving boxes of wine from the production line, and loading / unloading trucks.

Challenges and Concerns
- Dependability was an important consideration.
- If a truck went down, it would seriously reduce production output.
- Cost of operations was a key component in the purchase decision by management.
- Serviceability was a big concern.
- Complete periodic maintenance and unscheduled repairs with minimal cost and downtime was very important to controlling costs.
- Papé Material Handling – Modesto, CA quoted a full maintenance lease, and there were concerns that the new Fortis truck would perform as promised.

Solutions
- Dealer proposed to equip the plant with 17 - S70FT and 4 - S40FT Hyster Fortis Advance Package trucks – Mini levers, Premium Package, DuraMatch transmission, 2.4L GM in the S70FTs with clamps, and 2.2L Mazda in the S40FTs
- PMH - Modesto demonstrated how the Fortis Advanced Package would overcome challenges of this application
  Ergonomics
    - E-hydraulic mini-levers were quickly recognized to be ergonomically superior to manual cowl lever
    - Dependability
    - Electronically controlled transmission significantly reduces damage and lowers maintenance and repair costs

  Cost of Operation
    - Auto Deceleration System and Controlled Power Reversal saves money on tire and brake costs
    - Dealer quoted lease with full maintenance to alleviate any customer concern with the Fortis product

Why they Chose Hyster Company and Papé Material Handling
1. Purchasing liked the lease and full maintenance proposal offered by the dealer
2. Operators liked the superior ergonomics of the Fortis truck
3. Maintenance saw the value of controlled power reversal for tire savings
4. Operations management liked the increased productivity from superior cooling systems and uptime provided by the Fortis product
5. PMH – Modesto provided superior customer service and real solutions to the challenges faced at this facility

End Result
Superior features of the Fortis truck provided the customer with greater total value, and greater profits than forecasted for the dealer due to truck dependability

After up to 3,600 hours of service, the trucks are performing extremely well. The total operating cost (less abuse and attachment) is running at .86 per hour for the S70FTs and lower than .40 per hour on the S40FTs. Average steer tire life is 1,977 hours (only 8 trucks have had steer tire replacement); no drive tires have been replaced.

Fortis Case Study
Chelan Fruit

Description

- Chelan Fruit is a premier apple processor with six plants in Central Washington.
- Previously Chelan Fruit was an exclusive Hyster account however the company began purchasing Caterpillar product based on its lower selling price. Soon after this decision was made the local Cat dealer ceased operations.
- Chelan Fruit then shifted its material handling business needs to the Toyota dealer, who over time replaced the aging Cat fleet primarily with Toyota 5,000 pound electric and cushion tire product.
- Papé Material Handling – Wenatchee, WA continued to maintain contact with Chelan Fruit management, and demonstrated the Fortis S50FT when it was introduced.

Challenges and Concerns

- The Chelan, WA operation utilizes push-pull attachments. The Toyota 5,000 pound trucks equipped with these attachments were only marginally effective at this plant due to the lower horsepower of the Toyota engine, and the truck's limited hydraulic oil flow.
- Minimizing cost of operations was also a concern, because the dealer supplying the lift trucks would also be responsible for the maintenance of the equipment.

Solutions

- The dealer initially proposed to equip the Chelan plant with 23 – E50Z, 1 – J30Z and 4 – S50FT Fortis Advance trucks with the DuraMatch transmission and the 2.4L GM engine.
- PMH – Wenatchee demonstrated how the Fortis S50FT could easily operate the push-pull attachments and climb the ramps within the plant. The Toyota trucks could not match this performance.
- Based on the initial success with Hyster Fortis, Chelan Fruit recently ordered an additional 18 – S50FT units with 2.2L Mazda engines, 2 – E50Z and 2 – J30Z electrics.
- This one plant will soon have over 50 new Hyster lift trucks, and based on this success the dealer is moving to eventually convert the other five plants to Hyster product.

Ergonomics

- The plant's operators like the Fortis trucks so much that it is difficult to get them to drive the Toyota product.

Dependability

- Fortis product has proven to be highly dependable in the Chelan plant. Both the 2.2L and 2.4L engine equipped trucks are out performing the Toyota trucks. As a result of the success of the 2.2L powered models PMH – Central Washington now quotes only the 2.2L truck when ramp operations are not involved.

Cost of Operation

- PMH – Wenatchee, WA, quoted a full maintenance lease. The dealer was confident that the Fortis cost of operation would be low based on previous experience with the product.

Why They Chose Hyster and Papé Material Handling

1. Management liked the lease with full maintenance proposal offered by PMH Wenatchee. The $1,643.00 lower annual operating cost of the Fortis compared to the Toyota gave the dealer a comparative cost advantage.
2. Operators liked the superior performance of the 62 horsepower 2.4L GM engine, which was 7.4% more productive than the Toyota allowing it to complete 77 work cycles per hour compared to Toyota's 53 cycles.
3. PMH – Wenatchee provided superior customer service and practical solutions ensuring that the Chelan plant was as productive as possible.

End Result

The Fortis S50FTs low cost of operations, superior ergonomics and high productivity combined to give Chelan Fruit the highest equipment value available, and it ensured a greater profit to the dealer due to the truck's dependability.

Fortis Case Study
Ashland Distribution

Description

- Canned Foods Distributor, Central Massachusetts – Classic Warehouse operation and dock loading
- Forklift to ship pallet loads of canned fluid products
- Typically purchases Caterpillar trucks

Challenges and Concerns

- Reliability and Dependability
- Ergonomics – operator comfort
- Price – "Bang for my Buck"
- Return on Investment (R.O.I.)

Solution

- Demonstration – S50FT Fortis
    - E-Hydraulics
    - Swivel Seat
    - Monotrol®
    - 2.2 Mazda DuraMatch
- "Stand Your Ground" Comparison to Overcome Price Objection

Results - Why they chose Hyster Company and Hyster New England

1. Warehouse Manager realized Fortis was truly unique compared to competition
2. Reliability and Dependability testing was shown to prove long-term value
3. Greater productivity and less downtime compared to competition
4. Fuel Savings – the Fortis truck is operating at 30% more run time per L.P. bottle used
5. Hyster New England and Hyster truly offered solutions to reduce cost

End Result

Received order for one S50FT at premium price.
Management and operators both agree that the total value and long-term savings far outweigh the minor difference in initial price.

Fortis Case Study
Stribling Packaging Company - Rogers, Arkansas

Description

- This is a specialized box company and display manufacturer. Cardboard type materials and particle board are the main components used.
- They run 5 days a week, 1 shift moving corrugated box, cardboard and printed material within the plant. Inbound and outbound trucks.
- Housekeeping…generally a clean facility, the floors are good. The trucks have to endure long runs at 80-90% capacity. Dependability is important.
- Currently, the fleet size consists of 20 trucks. Nissan, CAT, Toyota and 1 Hyster. A young fleet less than 3 years old. Barloworld buying out fleet of competitive units with less than 5000 hours.

Challenges and Concerns

- Controlling cost of operations is most important because of use of independents.
- Turnover was high (operators) and maintenance figures were hard to determine considering multiple manufacturers of trucks.
- Tire wear high, along with tire dust.
- Had no formal maintenance records or fleet plan.

Solution

- Customer ordered 11 Fortis (S50FT) and will additionally take 5 rental trucks which are seasonal.
- Truck specs 2.2 Liter, LP, DuraMatch specs. Matched needs.
- Barloworld Handling providing a full maintenance lease that includes Operator Training and discounted labor rates.

Fortis Case Study
PHILCORR LLC

Description

- Typical high volume corrugated plant in southern New Jersey
- They run 24/7 using lift trucks to feed raw materials, move finished pallet loads to trucks – handle paper rolls.

Challenges and Concerns

- Maintenance costs were hard to budget for, producing inconsistent cost of operations.
- Downtime was a particular problem overheating due to a hot dusty environment

Solution

- Customer selected two S50FT Fortis trucks equipped with 2.4 GM engines; Combi-Cooler; DuraMatch – E-Hydraulics vented hood
- Modern Handling-PA provided onsite Fortis training for the customers' Maintenance Team
- Modern will also provide maintenance support to assist customer's unforeseen requirements

Results - Why they Chose Hyster Company and Modern Handling - PA

1. Superior dependability and advanced cooling system for maximum uptime
2. Superior ergonomics for more productive operators
3. Outstanding Dealer support by certified technicians
4. "Peace of Mind"

End Result

PhilCorr recently ordered one new S120FTPRS.
Management received superior value and fast reliable service to maintain plant productivity and control operating costs.

Fortis Case Study
Cadence Innovations

Description

- Cadence Innovation was formed in 2005 as a Tier 1 supplier of Automotive Interiors and Exterior Trim. In the United States, they primarily make parts for GM, Ford, and DCX, with annual revenue of $1 Billion.
- They had a forklift fleet of approximately 150 trucks that was made up of a mixture of Toyota, Mitsubishi, and Yale trucks. Roughly 50% of the fleet was made up of Toyota Short Term Rentals. Cadence was experiencing significant Overtime Bills and excessive down time with their fleet.
- Each plant made their own decisions with respect to forklift suppliers. Under Cadence management they decided to centralize their purchases, and reduce their overall costs.

Challenges and Concerns

- Cost of Operation, Operator Productivity and Ergonomics were the key elements in supplier selection
- Management recognized that they needed to focus on building Automotive Parts, and the decision was made to take the burden of managing forklift fleets away from the plants.
- Not having a Hyster presence at the plants was a major challenge, since they were only familiar with Toyota, Mitsubishi, and Yale.

Solution

- The Proposal was for 75 Hyster S50FTs.
- Toyota and Hyster were invited to demo equipment. We had to take the focus off of price and emphasize the value added features of the Hyster Fortis Product.
- Both Toyota and Hyster would demo at the same plant at the same time. Each of the 7 plants had 2 representatives in attendance that would provide their recommendations. None of the plant personnel had pricing information, and had to provide their feedback strictly on the equipment.

  Ergonomics
    - The Full Suspension Seat with Mini-Levers was immediately recognized as superior to the Toyota Series 7 Cowl Hydraulic offering. The Rear Horn/Handle was also a great feature we emphasized.

  Operator Productivity
    - The easy access to the Daily Operator Safety Checks was also key.

  Cost of Operation
    - Although the plants were not given pricing information, they knew that they had a significant Tire Replacement Cost. Auto-Deceleration and Power Reversal convinced them how the DuraMatch Transmission would save them money on Tire replacements.

Results - Why they Chose Hyster Company and Great Lakes Power Lift

- After the demo, we were called in to meet with the Director of Materials for Cadence Innovation. He said he thought the deal was going to be a slam dunk for Toyota, but the feedback he received on the Hyster Fortis truck was impressive. The things we needed to do to seal the deal:
  1. Revisit our Lease with Maintenance Package and justify our higher price than Toyota.
  2. We had to come up with at least 25 Rental Trucks immediately and replace 25 Toyota's Short Term Rentals.
  3. Get better Lead Times from Hyster for another 25 trucks. And have them built and delivered in 8 weeks.

End Result

- Great Lakes Power Lift was awarded 75 S50FTs. The Operator Comfort and DuraMatch Transmission Benefits were the main factors that lead us to success.
- New trucks have been in service for about 6 months now, and we have not had any significant service issues. Some minor hydraulic calibrations, light bulb replacements, and a few premature tire failures are the only issues we have had to address.