



Dealer of Distinction



The Safe Choice

2008

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DEALER OF DISTINCTION

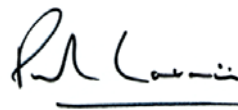
Dear Hyster Dealer Principals:

Together, Hyster Company and the best dealer network in the industry, we will address and resolve the challenges we face in 2008 and continue to successfully implement Operation Turnaround.

Part of our strategy is to recognize dealers who operate at the highest levels of performance in all key areas of their business and are truly “invested” in the Hyster relationship. The delay in program release can largely be attributed to our desire to fully align the recognition criteria with the attributes demonstrated by an “invested” Hyster dealer. The Dealer of Distinction program is both a blueprint for success and a dealer recognition program which defines the most critical business areas and performance standards necessary to develop and maintain a professional and successful Hyster dealership. We congratulate each of the 2007 winners on their success. Our goal is to have every dealer achieve a level of excellence deserving of the Dealer of Distinction recognition.

Together we will make a difference. We look forward to working with you in 2008 as we pursue our mutual goals. We hope to welcome all dealers into the Dealer of Distinction honor roll this year.

Regards,
HYSTER COMPANY

A handwritten signature in black ink, appearing to read "Paul Laroia", with a horizontal line underneath.

Paul Laroia
President, Hyster Company

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Program Overview

Introduction

Dealer of Distinction is both a blueprint for success and a dealer recognition program. It defines the key business areas and performance standards necessary to develop and maintain a professional and successful Hyster® dealership. Dealer of Distinction provides an objective process to identify Hyster Company's top performing dealers. The very best Hyster dealers earn Dealer of Distinction recognition.

Dealer of Distinction is a perpetual program with annual recognition on a calendar year basis. All dealers, whether they earn Dealer of Distinction recognition or not, will benefit from Dealer of Distinction if they make a concerted effort to satisfy the criteria defined in this program. Any dealer, committed to excellence, can earn Dealer of Distinction recognition.

Dealer of Distinction will evolve over time. Each year we review and may modify the program's criteria to reflect changing business conditions and practices, dealer feedback and higher performance standards. Beginning in 2008, we have introduced added benefits to those Dealers who not only achieve the Dealer of Distinction recognition, but are "invested" in their Hyster relationship by maximizing the goals in one or more defined business area.

All authorized Hyster dealers in the U.S. and Canada are expected to participate in the Dealer of Distinction program and are eligible to receive recognition and rewards per program guidelines.

Categories for Distinction

Dealer of Distinction does not attempt to address every business practice or performance standard within a dealership. Instead, it focuses on critical business areas that drive a dealership's long-term survival and growth. The criteria necessary to achieve performance excellence within each business area have been grouped into six key categories. Their definitions appear on the following pages. Each definition includes the performance measurement and the number of points earned for achieving the stated measurement.

Criteria Category	Total
Market Share	400
Aftermarket	200
Sales Coverage	100
Short Term Rental	100
Days Stock on Hand	100
Financial Services	100
Total	1,000

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Assessment & Submission

At the close of the year, full year performance data will determine which dealers earn recognition for the program year. All input is based on calendar year 2008 performance. Dollar amounts and quantities should be submitted in whole numbers unless otherwise specified.

The information needed to measure a dealer's performance for each criterion comes from three sources; the dealer, Hyster Company's regional management team and Hyster Company's marketing information systems. At the end of each reporting period, dealers are to submit their input to Hyster Company's Dealer Development Department by the following deadline:

Reporting Period	Due Date
Jan. - Dec. 2008	February 8, 2009

Dealers may request an additional preliminary evaluation by contacting Hyster Company's VP of Dealer Development.

Special Provisions

- Dealer evaluations will generally match the dealerships as we report them for ITA purposes. Exceptions will be made for dealerships that are purchased during a calendar year. These exceptions will be agreed to between the dealer and the VP of Dealer Development and may vary depending on whether the purchased dealer will continue to operate as a separate reporting entity or be consolidated into the buying dealer for reporting purposes.
- Reporting dealers are as follows:
 - o American Machinery
 - o Arnold Machinery – (3)
 - o Barloworld – (6)
 - o Bohl Equipment
 - o Deep South
 - o Equipco
 - o Great Lakes
 - o Harvey
 - o Hyster New England
 - o Johnson Lift
 - o Liftech
 - o McCall Handling
 - o MEE Material Handling
 - o MH Logistics – (5)
 - o Mid-States Industrial Services
 - o Modern Handling – (2)
 - o Papé Material Handling – (8)
 - o Stewart & Stevenson – (2)
 - o Sellers Tractor
 - o Shipping Utilities
 - o United Lift
 - o Van Keppel – (2)
 - o VBS, Inc. MHE
 - o Viccaro Equipment
 - o Wajax – (4)

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- Hyster Company reserves the right to amend or cancel this program at its sole discretion and has final authority with respect to the interpretation of program rules or any other matter pertaining to the program.

Recognition

Recognition Level		
Minimum Requirements – All Must Be Met		
	"Invested Dealer" Criteria	Required Points
Dealer of Distinction	75% (3 of 4) of Elements Met	750

Invested Dealer Criteria:

1. Market Share (15%)
2. Rental Share (20% or 1% Growth)
3. Sales Coverage (425 ITA to 1)
4. Stock Target (60 Days)

Dealer of Distinction Awards

- ✓ Dealer of Distinction Bronze Eagle
- ✓ Letter from Hyster Company for use by dealer with customers
- ✓ Dealer of Distinction Banner
- ✓ Award ceremony

Market Share Criteria Summary

Criterion	Requirement	Points
Market Share (Minimum)	12.0% +	N/A
Market Share	22.0% +	400
	20.0% - 21.9%	300
	15.0 – 19.9%	250
Awareness	50% +	50
Closure	30% +	50
Walkie Sales	(1) or more Walkie truck sale(s) per month per salesperson	50
Maximum		400

Total Points Limitations: The maximum number of points which may be earned for Market Share is 400 points. Points are earned for market share only if greater than 15.0%. If market share is between 12.0% and 14.9%, points can be earned on the non-market share criteria for a maximum point availability of 150 points.

Total Truck Market Share Retail Bookings

400 Points

Total Market Share	Points
22.0%+	400
20.0% - 21.9%	350
15.0% - 19.9%	250
Total	400

$$\text{Market Share} = \frac{\text{Total Hyster Retail Bookings (All Classes)}}{\text{Industry Retail Bookings (All Classes)}}$$

Total Hyster Retail Bookings: Number of Hyster retail bookings reported to ITA during the 2008 calendar year for truck classes I, II, III, IV and V.

Total Industry Retail Bookings: Number of industry retail bookings reported to ITA during the 2008 calendar year for truck classes I, II, III, IV and V.

DOD Information Source: Hyster Company.

Awareness

50 Points

Awareness	Points
50.0% +	75
Total	75

$$\text{Awareness} = \frac{\text{Total Dealer Quotes (Won + Lost)}}{\text{Industry Retail Bookings (All Classes)}}$$

Total Industry Retail Bookings: Number of industry retail bookings reported to ITA during the 2008 calendar year for truck classes I, II, III, IV and V.

Total Dealer Quotes (Won + Lost): Number of units in retail quotes recorded in eHero as “Won” and as “Lost” during the 2008 calendar year for truck classes I, II, III, IV and V.

DOD Information Source: Retail Bookings – Hyster Company, Total Dealer Quotes – Dealer via eHero

Closure

50 Points

Closure	Points
30.0% +	75
Total	75

$$\text{Closure} = \frac{\text{Total Won}}{\text{Total Dealer Quotes (Won + Lost)}} \quad (\text{All Classes})$$

Total Won: Number of Hyster quotes recorded in eHero as “Won” during the 2008 calendar year for truck classes I, II, III, IV and V.

Total Dealer Quotes (Won + Lost): Number of units in retail quotes recorded in eHero as “Won” and as “Lost” during the 2008 calendar year for truck classes I, II, III, IV and V.

DOD Information Source: Total Won and Total Dealer Quotes – Dealer via eHero

Walkie

50 Points

Walkie Sales	Points
≥ (1) Walkie truck sale(s) per month per salesperson	50
Total	50

$$\text{Walkie} = \frac{\text{Total Hyster Walkie Sales (Class III)}}{\text{Number of Sales People}} \quad (\text{Class III})$$

Total Hyster Walkie Sales: Number of Hyster retail sales (Class III) reported to ITA during the 2008 calendar year.

Number of Salespeople: Number of qualified full-time and part-time new Hyster truck salespeople at year-end 2008. Refer to Appendix A for sales person count definition

DOD Information Source: Retail Bookings – Hyster Company, Dealer Quotes – Dealer via eHero

Aftermarket Criteria Summary

Criterion	Requirement	Points
Market Penetration Index	100% +	75
	70.0% to 89.9%	50
	60% to 69.9%	25
TAP Program	Enrolled	25
MDI Program	Enrolled	40
Aftermarket Coverage – Aftermarket Salesperson (Minimum)	1 per:	
	425 ITA	30
	600 ITA	15
Certified Technicians (Minimum)	1 per:	
	425 ITA	30
	600 ITA	15
Maximum		200

Technician Certification: 50% or more of dealer's Technicians are currently CerTech Certified. In addition:

- 50% or more of dealer's Technicians are currently Fortis certified
- 15% or more of dealer's Technicians are currently AC-Reach certified. Minimum of one Technician per dealership.
- Each technician must acquire 20 or more hours of training in 2008.

DOD Information Source: MPI – Hyster, Technician Certification - Dealer.

Market Penetration Index

(2007 vs. 2008)

75 Points

% of Objective*	Points
100.0% +	75
70.0% - 89.9%	50
60.0% to 69.9%	25

Market Penetration Index (MPI): Percent of market penetration as determined by Hyster utilizing market information and formula as set forth in Annual Dealer Aftermarket Plan and determined at end of calendar year 2008.

DOD Information Source: Hyster.

TAP Program Participation

25 Points

TAP Program: Dealer is enrolled in Hyster's Territory Analysis Program and ordered their designated data no later September 2008. Requires monthly license fee.

DOD Information Source: Hyster

MDI Program Participation

40 Points

MDI Program: Dealer must either be participating in Managed Dealer Inventory or be officially registered for implementation during calendar year 2008 with the MDI team in Danville via the MDI Participation Agreement.

DOD Information Source: Hyster

Aftermarket Coverage

30 Points

Aftermarket Coverage	Points
1 per 425 ITA	30
1 per 600 ITA	15

$$\text{Aftermarket Coverage} = \frac{\text{Number of Sales People}}{\text{MPI Average Industry Retail Shipments}}$$

Industry Retail Bookings: Average annual number of industry retail bookings reported to ITA during the five calendar years 2003-2008 for truck classes I, II, III, IV and V.

Number of Salespeople: Number of qualified full-time and part-time aftermarket salespeople at year-end 2008. See Appendix A for definitions.

DOD Information Source: Aftermarket salespeople - Dealer, Industry bookings - Hyster.

Certified Technician Coverage

30 Points

Coverage	Points
1 per 425 ITA	30
1 per 600 ITA	15

$$\text{Technician Coverage} = \frac{\text{Number of Technicians}}{\text{MPI Average Industry Retail Shipments}}$$

Industry Retail Bookings: Average annual number of industry retail bookings reported to ITA during the five calendar years 2003-2008 for truck classes I, II, III, IV and V.

Number of Technicians: Number of qualified full-time and part-time technicians at year-end 2008. See Appendix A for definitions.

DOD Information Source: Aftermarket salespeople - Dealer, Industry bookings/MPI - Hyster.

Sales Coverage Criteria

New Truck Sales Coverage

100 Points

Truck Coverage	Points
≤ 425.0 to 1	75
One or more Warehouse Specialist	25
Total	100

$$\text{Coverage} = \frac{\text{Total Industry Retail Bookings}}{\text{Number of Sales People}}$$

Total Industry Retail Bookings: Number of industry retail bookings reported to ITA as of December 31, 2008 for truck classes I, II, III, IV and V. Hyster Company may make an adjustment for dealers acquiring new territories. See Special Provisions section in Program Overview for details.

Number of Salespeople: Number of qualified full-time and part-time new Hyster truck salespeople at year-end 2008. Refer to Appendix A for sales person count definition.

DOD Information Source: Retail Bookings – Hyster Company, Number of Salespersons - Dealer

Short-Term Rental Criteria Summary

Criterion	Requirement	Points
Short-term Rental Market Share (Minimum)	18.0% +	N/A
Short-term Rental Market Share	22.0% + 20.0% - 21.9%	100 75
Total		100

STR Market Share

100 Points

Rental Market Share	Points
22.0%+	100
20.0% - 21.9%	75
15.0%-19.9%	50
Total	100

$$\text{STR Market Share} = \frac{\text{Fleet Size}}{\text{Rental Market}}$$

Fleet Size: Monthly average number of Hyster short-term rental trucks during the 2008 calendar year. Fleet size reporting corresponds to the end of each calendar month. (Do not include units acquired as used or non-Hyster units in the calculation).

Short-term Rental Market: 60% of 5 year average of shipped units in Classes I, II, IV & V.

DOD Information Source: Short-term rental fleet size - Dealer, Short-term rental market – Hyster Company.

Days Stock on Hand / Stock on Order Criteria Summary

Criterion	Requirement	Points
Days Stock on Hand / Stock on Order (Invested Dealer Requirement)	60+ days (2 + months)	100
30 Days – 59 Days Stock on Hand / Stock on Order	> 1 Month < 2 months	50
Total		100

Days Stock on Hand / Stock on Order 100 Points

60+ Days Stock on Hand / Stock on Order	Points
2 + months	100
1 + month	50
Total	100

$$\text{Days SOH / S00} = \frac{\text{Total Dealer SOH/S00}}{\text{Dealer Retail Bookings Goal} \div 365}$$

Stock on Hand / Stock on Order: Number of Hyster lift trucks identified as stock that are in Dealer inventory or on order at a given reporting date during the month for 2008 calendar year.

Dealer Retail Bookings Goal: Total number of Hyster retail bookings set as annual goal during Dealer Planning Meetings during the 2008 calendar year for truck classes I, II, III, IV and V (not including National Account and Rental).

DOD Information Source: Hyster Company.

Financial Services Share

Criteria Summary

Criterion	Requirement	Points
Hyster Capital Market Share (Minimum)	20.0% +	N/A
Hyster Capital Market Share / Annual Revenue Volume	60.0% + or \$5MM	100
	50.0% - 59.9%	75
	40.0% - 49.9%	50
Total		100

Financial Services Share

100 Points

Hyster Capital Market Share / Annual Volume	Points
60.0% + or \$5MM	100
50.0% - 59.9%	75
40.0% - 49.9%	50
Total	100

$$\text{Financial Services Market Share} = \frac{\text{Hyster Capital Retail Volume}}{\text{Adjusted Net Sales}}$$

Adjusted Net Sales: The Dealer locations net equipment sales multiplied by .80 (for rental deduction) multiplied by 1.05 (adder for gross profit) and added to 25% of electric lift truck sales (adder for batteries and chargers).

Retail Volume: The Dealer locations' dollar volume of leasing and financing that is processed through Hyster Capital.

DOD Information Source: Hyster Company

Appendix A

Truck Salesperson Qualification

- A full-time truck salesperson has no parts and service responsibility, (other than Fleet Management and contract maintenance promotion) works outside and has an assigned territory and/or list of specified accounts. Counts as one salesperson.
- A partial unit salesperson has both new truck and aftermarket sales responsibilities, is compensated accordingly, works outside and has an assigned territory and/or list of specified accounts. Counts as one half (.5) of a unit salesperson. A full-time telemarketing person assigned to equipment sales exclusively will count as one quarter (0.25) of a salesperson.

Aftermarket Salesperson Qualification

- A full-time aftermarket salesperson has no new truck responsibility, works outside and has an assigned territory and/or list of specified accounts. Counts as one salesperson.
- A part-time salesperson has both new truck and aftermarket sales responsibilities, is compensated accordingly, works outside and has an assigned territory and/or list of specified accounts. Counts as one half (.5) of a salesperson.

DEALERS OF DISTINCTION

PAST WINNERS SUMMARY

Dealer	Location	Years Award Won
Arnold	Utah	2006, 2007
Arnold / MHECO	Colorado	1999
Barloworld	Alabama	1994, 1995, 1996, 1997, 1998, 2000, 2004, 2005, 2006
Barloworld	Georgia	1994, 2004
Barloworld	South Carolina	1994, 1996, 1998, 1999, 2004, 2006, 2007
Equipco	Bridgeville	2004, 2006
Iowa Machinery	Iowa	1997, 1998, 2004, 2005, 2006
Johnson Lift Hyster	Los Angeles	2004
MH Equipment	Illinois	1997, 1998, 1999, 2000, 2002, 2003, 2004
MH Equipment Co. (The Bode-Finn Co.)	Ohio South	1994, 1996
Modern Handling	New Jersey	1999, 2000
Papé Material Handling	Eugene	1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006
Papé Material Handling	Fremont	1999, 2000
Papé Material Handling	Portland	1994, 1995, 1996, 1997, 1999, 2002, 2003, 2004, 2005, 2006
Papé Material Handling	Sacramento	1997, 1998, 1999, 2000
Papé Material Handling	Seattle	1995, 1996, 1999, 2002, 2004, 2005, 2006
Papé Material Handling	Spokane	1994, 1995, 1996, 1997, 1998, 1999, 2000, 2002, 2003, 2004, 2005, 2006, 2007

Papé Material Handling	Yakima	1994, 1995, 1996, 1997, 1998, 1999, 2000, 2002, 2003, 2004, 2005, 2006, 2007
Pride Equipment	Long Island	1996, 1997, 1998
VBS Inc., MHE	Richmond	2003
Wajax Industries	Central	1996, 1997, 1998, 1999, 2000, 2002, 2003
Wajax Industries	East	1999, 2000
Wajax Industries	Prairie	1997, 1998

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