HYSTER COMPANY

Americas Division

SUBJECT: 2007 S.W.O.T.S. Analysis

ACCOUNT: *Altivity Packaging*

<u>BACKGROUND</u>:
Altivity Packaging is a newly created company, which is the combination of former Smurfit-Stone Consumer Packaging Division and Field Container. Just recently, Altivity merged with Graphic Packaging to become one of the largest consumer packaging companies in the industry with revenue exceeding $4.4 billion.

<u>STRENGTHS</u>:
- Strong relationships at the local facility facilities.
- Product loyalty is still strong.
- Hyster maintains the majority share of the business

<u>WEAKNESSES</u>:
- New management team at corporate, with little material handling background.
- New management team is driving corporate cost reduction initiatives down to all levels of the company, with very little concern about long term consequences.

<u>OPPORTUNITIES</u>:
- We have a great opportunity, through our Fortis product, fleet and leasing business to help them achieve their cost compression goals.

<u>THREATS</u>:
We must stay ahead of the ever changing environment with this account. In the past six months, there have been three management teams trying to organize their material handling strategy, which has resulted in stagnation. We must stay close to the new personnel but equally important we must maintain the high degree of focus with our friends at the plant level. In the end, the local personnel will have a strong say in what truck they purchase.

<u>STRATEGY</u>:
Prior to this recent merge, we were working towards a total fleet management program, where we would take them completely out of the material handling business. This initiative has been postpone until September, until the dust has had a chance to settle. The bottom line is this situation is very fluid and we must find anyway to support their efforts at corporate and at the local level.

Hyster Company ▪ 1400 Sullivan Drive ▪ P.O. Box 7006 ▪ Greenville ▪ North Carolina ▪ 27834-7006

Main: 252-758-4978 Fax: 252-931-7877 Toll Free: 1-800-HYSTER1 www.hysteramericas.com