HYSTER
The Safe Choice

HYSTER COMPANY

Americas Division

SUBJECT: 2009 SWOTS Analysis

<u>ACCOUNT</u>: *BASF*

<u>BACKGROUND:</u>
BASF is the world's leading chemical company, best known for its slogan – "we don't make the products you use, we make the products you use better." BASF had $14.3 billion in sales last year. They have 50+ plants in the US and Canada. The fleet is around 300 trucks at their best estimate. They have acquired several other companies over the last few years and really are not sure what they have. They employ about 15,500 people worldwide. Hyster had a history with BASF, then didn't do business with them for some time. We got back into a relationship when they acquired Engelhard, a national account that had been served by the New Jersey office.

<u>STRENGTHS</u>:

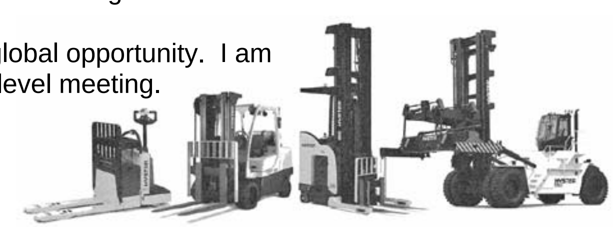
- We are one of few recognized suppliers.
- We've had good experience with the trucks supplied to BASF.
- We have a good reputation with them for quick problem resolution.
- We have a good rapport with the purchasing group.
- We've had good experience with the equipment that has gone into BASF plants, and good service from our dealers.

<u>WEAKNESSES</u>:

- While they are working toward more centralization of purchasing, decisions are still made at the local plant level. They still do not have a good feel for their fleet size, nor do they purchase from a centralized budget.
- Their quotes and orders have come to a halt in the second half of 2008, and they do not anticipate much action in the first quarter of 2009.

<u>OPPORTUNITIES</u>:

- We have an opportunity to assist them with identifying their fleet and recommending replacement. I also think a customized fleet management program would be a big benefit to BASF.
- Recent news articles lead me to believe this could be a global opportunity. I am talking with their corporate purchaser to ask for a higher level meeting.



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THREATS:

- We've had some pricing issues and have had to apply additional discount to get some deals. We've heard that some plants have been encouraged to go with Toyota, but have not been able to substantiate any pressure from their corporate group. Toyota and other suppliers are being very aggressive.
- Local money is used for purchases. This may change in the future, but it makes it difficult to get a handle on what is available to spend on the fleet. The corporation is very profitable – some individual plants not so much.

STRATEGY:

- I see a need to do many local plant visits, as the move to more centralized purchasing has not materialized in 2008. I will work with local dealers to get a better feel for BASF's fleet. Q1 – Q 4 Goal 2 visits per quarter
- I want to demo some of our equipment in plants that have not yet used Hyster. Q1 – Q4 Goal at least 2 demos during the year
- I will visit our corporate purchasing contact in Geismar, LA for a discussion of how we can assist them through fleet management opportunities. Q2
- I would like to have Lou Lerer (purchasing contact) come to the Greenville plant for a tour. Q2
- We've just become aware of some changes on a global basis for BASF, and will seek a higher level meeting to discuss global relationship possibilities. Q1

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