



The Safe Choice

HYSTER COMPANY

Americas Division

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

ACCOUNT: BPB – St Gobain

STRENGTHS:

Some old relationships and product excellence in robust applications have several facilities buying Hyster while Toyota is the contract holder. Supported by strong National Account relationships in both the CertainTeed and Paper segments of the business we have good customer visibility.

WEAKNESSES:

Larger rolls, taller stacking requirements, and tighter aisle dimensions support the need to accurately specify equipment correctly – the first time. Gypsum and similar severe duty applications drive the need for improved fleet management concepts supporting correct PM timing and tasking – making our equipment more reliable with improved uptime. Toyota product quality perception and ability to price units at deep discounts certainly make selling to SGNA more difficult.

OPPORTUNITIES:

In December of 2005, Saint-Gobain acquired BPB worldwide, creating the world leader in building interior solutions. Specific James Hardy and Celotex locations were purchased and are now incorporated into the attached a BPB location guide. Additionally, Late in 2005 BPB announced 2 new plant site locations for 2006 - Roxboro, NC & Wheeling, WV. The current and separate BPB and St. Gobain agreements may be blended into a single agreement covering both parties. The St. Gobain RFQ is scheduled to be released in April. Strong dealer presents will support our 2007 RFQ opportunity with the necessary visibility that is required at local levels.

THREATS:

Linde continues to provide product pressures and has secured several locations with their pneumatic products. The perceived maintenance costs of a Hydrostatic vs. our more mechanically complex transmission is a topic in many of my conversations when costs per hour are discussed. Toyota's market penetration with low cost attractive equipment continue to drive down margin.





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STRATEGY:

Support and grow the BPB Global Agreement that was established overseas, win the 2007 RFQ. Americas Hyster supports that relationship for both the States and Canada. The structure of this agreement includes an annual rebate to BPB based upon total annual unit purchases. St. Gobain alliance with Toyota was driven from pricing pressures and bottom line satisfaction. Many plants continue to work with Hyster and afford us positive visibility that needs to be leveraged to attain premier status. Dealer relationships and local efforts are the cornerstone of all opportunities.

