



The Safe Choice

HYSTER COMPANY

Americas Division

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

ACCOUNT: BlueLinx

STRENGTHS:

Hyster has had great visibility with BlueLinx for several years as this company is a spin off of GP. Overall the new FT product has reinforced our product excellence...the new diesel engine choices in the H135/155 has caught their attention. We have strong ties to their National Maintenance Manager, and he has great strength within their organization and supports our product - he is also the first one to alert Hyster and our dealers when he finds service issues unaddressed.

WEAKNESSES:

Corporate has driven standard spec's and unit configurations - many locations would prefer to use Pneumatic units and have developed a dissatisfaction not with our product but with the system. The latest order did not include the DuraMatch transmission as it was felt too costly.

OPPORTUNITIES:

Hyster's product position is excellent. We have the majority of the business, and sold all but 2 units in the 2006 purchase. New FT products should help improve our product reliability and uptime enhancing our location by location relationship. 2007 may hold in excess of 100 units as long as their sales numbers remain flat or improve. Housing market issues / decline will surely erode budgetary expenditures.

THREATS:

The BlueLinx organization is a tight group that shares information quickly. Good news travels slowly, bad news travels quickly - their Corporate Champion is technically strong and monitors all aspects of local service issues. He is quick to point out poor technical service and factory born issues and carries high expectations relative to how those issues are handled - doing things right keeps us in a very strong position, and he will continue to support Hyster 100% as long as we support him.





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STRATEGY:

Keep pushing the products and building relationships with corporate and local facility managers. End of 3Q7 should illustrate the overall opportunity for units - we need to start selling the cost savings elements of the DuraMatch transmission at the local levels - I leverage any opportunity with corporate to discuss the topic and illustrate savings opportunities. We need to keep all product enhancements in front of the local customer - Dealer relationships and local efforts are the cornerstone of all opportunities.

