HYSTER COMPANY

Americas Division

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

Account: Coke CCE, The Coca Cola Company, FEMSA

Background:

Coca Cola is the world's largest beverage marketer. It is headquartered out of Atlanta, Georgia and has plants across the world but primarily in 33 countries. It produces beverages under the Dasani Brand for water and numerous beverages under the Coke brand. In Latin America, beer is a product thru the FEMSA organization.

An RFP was recently lost to Toyota and CAT for this business. It was a 2 year award with extension for 1 year. Hyster placed 3d in the bid and was eliminated for the next 2 years.

Strengths:

- Hyster brand seen as dominant player in Latin America and Europe. Hyster has a good reputation within Coke and affiliates.
- Strong dealer presence in recent bid put a reluctant corporate buyer hesitant to go with Toyota but pricing with 3 year/15,000 hour warranty and residual buy-back in a position they could not refuse.

Weakness:

- Economies of manufacturing not seen as a strong suit from Coke and Hyster 25% higher than #1 and #2 competitors.
- Competitors are offering turn-key installation of attachment at manufacturing center and thus, offering direct shipment to Coke facilities at reduced cost.
- Coke buys based upon price and do not see value add in their equation for forktrucks with material handling. They feel that cost of ownership is comparable between manufacturers and thus, are unwilling to pay a premium for total cost of ownership. Hyster attempted to work this total cost into equation but in the end, Coke purchased based upon price-knowing there were holes in coverage from competitors.

Opportunities:

- I do not see any short term opportunity on the horizon. With recent exclusive award to CAT and Toyota, we have to seize opportunity if Toyota fails to deliver. On the positive side, Coke feels that our competitors will be challenged and we are simply in a wait mode.

Strategy:

I will attempt to stay in front of Dave Leasure with express intent to make Hyster a primary supplier, if the opportunity arises. I say Coke because CAT is firmly entrenched with Dave and FEMSA.

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