SUBJECT: 2009 SWOTS Analysis

ACCOUNT: *Colgate-Palmolive*

BACKGROUND:

Colgate-Palmolive has sales surpassing $10 billion, Colgate focuses on four core businesses: Oral Care, Personal Care, Home Care and Pet Nutrition. Colgate now sells its products in 222 countries and territories worldwide.

- Worldwide sales rose 7.5% to an all-time record level.
- Every operating division reported sales and operating profit increases for the year.
- Gross profit margin increased 40 basis points. Excluding restructuring charges, gross profit margin increased 110 basis points to a record high.
- Global advertising grew 11% to an all-time record level of $1,320.3 million, on top of double-digit growth in the prior year.
- Operating cash flow grew to an all-time record level of $1,821.5 million for the year.
- The quarterly dividend rate was increased by 10% in 2006.

Colgate-Palmolive has closed 35 of their 38 U.S. manufacturing facilities and moved the bulk of that production to Mexico. There may be a tie in potential with the 3PL's that Colgate-Palmolive is using for distribution for the U.S. Market according to IBM Pro-Sourcing.

Presently Hyster has just completed the Global RFP for Colgate-Palmolive through IBM Pro-Sourcing.

STRENGTHS:

- Account is progressing towards a true Global Account. Great dialogue with Colgate- Palmolive/ Hill's Pet Nutrition has helped move this account along.
- We have had excellent support both from Erdinc Ercan, Associate Director Global Capital Procurement, Global Materials, Logistics & Sourcing.
- Awarded France's business as part of the RFP

WEAKNESSES:

- Responding the the Global "Best in Class" Terms & Conditions between the various Hyster Theatres has taken longer than originally anticipated but is progressing in a positive directions.
- Hyster as an organization does not seem to have much of a relationship with Colgate-Palmolive.
- Still struggling with getting purchase orders completed and ordered through the new IBM Pro-Sourcing group. The computer systems should now be complete and orders should flow better.
- Completing the final T&C's with Colgate & Hyster legal department.
- Still looking into the real

OPPORTUNITIES:

- Potential tie-in with Colgate-Palmolive's 3PL provider for the U.S. market.
- Several Colgate-Palmolive plants have expressed a strong desire for Hyster Fleet services Full Maintenance services.
- Although the communication has been quiet lately, the move for procurement was going to be transferred back to CP – Corporate and not IBM Procurement

THREATS:

- Some kick back from the plants on change. We are getting support from Colgate's corporate office.

STRATEGY:

- Complete the T&C's, SOW, Maintenance Service Agreement between Colgate & NACCO's legal department.
- Complete the review of the "Best in Class" offerings between the different Hyster Theatres to see if we can leverage the rest of the global commitment from Colgate.
- Complete the remainder of the Site Survey's & quotes for 2009
- Continue to provide value added solutions to Colgate.