



HYSTER COMPANY

Americas Division

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

ACCOUNT: DANA CORPORATION

STRENGTHS:

- Hyster units still represent approximately 25% of Dana's total lift truck fleet.
- The Hyster dealers are well respected by the Dana facilities especially since most of the Hyster units are 7-15 years old.
- The robust production environment at Dana manufacturing facilities lends itself to showing Hyster as a superior product.

WEAKNESSES:

- Cat has been the sole lift truck supplier for the last 3 years.
- Toyota was the primary vendor of choice for Dana for the 3 years prior to the Cat sole supplier relationship.
- Dana remains in Chapter 11 bankruptcy protection with a very unstable future for its facilities.
- The lift truck purchasing function at Dana corporate purchasing has been handled by 3 different people in the last 6 months due to people leaving Dana.

OPPORTUNITIES:

- The current Hyster units at Dana facilities are generally the oldest units and the most in need of replacement.
- The 3 year Cat sole lift truck supplier agreement expires 12/31/07.
- The instability at Dana corporate purchasing has individual facilities requesting quotes and soliciting information outside of the Cat relationship.

THREATS:

- With the financial instability of the corporation and the personnel instability of the personnel at Dana corporate purchasing with lift trucks, Cat may be extended as the sole supplier without competitive bid.
- Cat has done an above average job of working with Dana during the sole supplier agreement.
- Cat has backed Dana during and following the Chapter 11 filing and bankruptcy.





The Safe Choice

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STRATEGY:

- Encourage the dealers to go to the Dana facilities to solicit Hyster replacement quotes, provide demos and to supplant Cat as the service supplier.
- Remain in contact with Dana corporate purchasing in order to press the need for competitive bids for the lift truck vendor relationship. This is especially important during the Chapter 11 period where commitment to improvement is required by the courts.
- Convince Dana corporate purchasing of the importance in comparing and demonstrating the Hyster product versus Cat.

