



The Safe Choice

HYSTER COMPANY

Americas Division

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

ACCOUNT: *Domtar Paper Co., LLC*

BACKGROUND:

Domtar is a global leader in the field of pulp processing, bulk paper manufacturing and consumer-based finished paper goods. Most US-based DPCLLC sites are former Weyerhaeuser (WY) sites wherein the Hyster NA evergreen contract in place with WY has been extended to DPCLLC sites until a new DPCLLC contract can be initiated.

STRENGTHS:

- DPCLLC consists primarily of spin-off/JV Weyerhaeuser sites with a very long-standing user of Hyster products.
- Roughly 90% of WY paper mill sites utilized Hyster product (most exclusively) and that trend is expected to carry over to DPCLLC.
- Excellent relationship with Ronnie Manning, formerly of WY and now director of contract development and fleet supplier relations with DPCLLC.
- Many original Domtar sites have a diverse competitive product range and performance of most have been inferior to Hyster.

WEAKNESSES:

- Domtar had not really ever established a true NA prior to the JV with WY. All sites had the autonomy to purchase locally from the vendor of choice.
- DPCLLC has initiated a bid process for all vendors to submit a NA proposal for all North American sites in which Hyster will be considered the front-runner.

OPPORTUNITIES:

- Hyster has the major share position at sites formerly owned solely by WY. Hyster also has a strong share position at previously owned by Domtar. Hyster NA group must submit a proposal that offers value to the new DPCLLC.
- Ronnie Manning has a long and very strong history with Hyster Co. and realizes the value in Hyster's knowledge of the paper industry.





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THREATS:

- Many former non-WY sites have a menagerie of competitive machines and long-standing relationships with competitive dealers. It will be a challenge to convert former non-Hyster Domtar owned sites to Hyster product.

STRATEGY: NAM has a meeting scheduled with Ronnie Manning and Gary Philips, Key Supplier Manager, on 8-15-07. Meeting will be focused on creating a new NA contract/agreement with DPCLLC that meets their business needs. New contract will be based on the WY contract that was extended to DPCLLC in the transition period that resulted after the JV had taken effect. Hyster must work collaboratively with its dealers, Fleet Group, HyCap and Parts Marketing Group to provide a material handling solution to DPCLLC that represents simplicity, effectiveness and value.

