



HYSTER COMPANY

National Accounts

Hyster™ National Accounts Dealer Update – July 2006

Account: General Mills

Address: Corporate HQ - Minneapolis, MN; 58 locations nationally

Account Manager: Chris Plude (816) 524-4543 email: chris.plude@hyster.com

Dealer: Nationwide (see attached facility listing)

General Account Strategy: General Mills markets some of the world's best loved brands, including *Betty Crocker®*, *Häagen-Dazs®*, *Pillsbury®*, *Green Giant®*, *Old El Paso®*, and *Cheerios®*. Their brand portfolio includes more than 100 leading U.S. brands and numerous category leaders around the world. Hyster™ as a group needs to focus on providing General Mills cost savings through a competitive Hyster Fleet Program. Demonstrate these cost savings by promoting the value and competitive features of Hyster equipment, the Dealer Network, and the National Account program. General Mill's fleet is aging and they are spending an excessive amount of money in maintenance. General Mills is in the process of evaluating all areas of operations for potential cost savings. We need to educate them on potential savings on their material handling equipment.

Current Opportunity: The purchasing agent at HQ is relatively new to her position and does not have a full understanding of material handling equipment, cost of ownership, and the great potential for savings. Educating the purchasing agent on potential savings and helping her gain knowledge of their existing fleet. The local plants are very loyal to current vendors and it will be difficult to gain access to facilities – it will take time. Iowa Machinery had great success by calling on them for parts business.

Products / Applications: The fleet mix is 70% Class I, 20% Class III and 10% Class IV & V. Food Manufacturing & Shipping. They use Carton Clamps & Push Pulls are typical in the manufacturing plants.

Recent Wins: Lodi, CA (6 - E50Z); Buffalo, NY (2 - W30ZC's & 4 - W60Z)

Challenges: Most purchasing decisions are based on price and dealership support; final decisions are made locally on purchase under \$100K with guidance provided by the corporate purchasing group. For purchases over 100K the PO is supposed to go thru Corporate office but most local locations separate needs into PO's under 100K. Over the next 18-months General Mills Corporate office plans on changing to centralized purchasing.

Competitive Landscape: General Mills has a mixed fleet of various manufacturers. Corporate Office does not enforcement purchasing rules and local locations are allowed to purchase whoever they want locally, which typically is which dealer has the best relationships with them. General Mills purchase their forklifts outright which has lead to an old fleet which leaves room for savings if a site survey can be conducted.





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Next Steps: How Hyster Dealers can drive additional sales:

1. If you do not have a relationship with the local General Mills plants within your territory –proactively engage these facilities to discover new / replacement truck requirements, aftermarket & allied opportunities. Gather new truck specifications and provide to National Accounts Manager as quickly as possible.
2. Provide site & application survey – be observant of utilization, internal loaner fleet, maintenance for possible fleet reduction & cost savings.
3. Express knowledge of National Accounts relationship, use the existence of that relationship to build trust and seek out those incremental opportunities - service, allied, etc.
4. Demo – when possible.

Sincerely,

Christopher Plude

Manager, National Accounts

Hyster Company

Office: 816.524.4543

Fax: 816.817.0480

Email: chris.plude@hyster.com

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