HYSTER COMPANY

Americas Division

SUBJECT: **2009 SWOTS Analysis**

ACCOUNT: ***Goodyear Tire & Rubber***

BACKGROUND:

Goodyear Tire and Rubber is the largest manufacturer of commercial tires in the United States, Canada, and Latin America. With its subsidiaries and joint ventures, Goodyear markets and sells tires for most applications including automobiles, commercial truck tires, off road tires, ATV tires, trailer and RV tires, racing tires, and aviation tires. They brand and sell tires under several well-respected names including Dunlop, Kelly, Fulda, Sava, and Debica. Goodyear posted net sales in excess of $19.6 billion for 2007. The company has more than 70,000 associates worldwide.

Goodyear has several large manufacturing facilities in the United States. Key locations are Akron, OH; Fayetteville, NC; Gadsden, AL; Topeka, KS; Danville, VA; and Buffalo, NY. There are three Canadian manufacturing facilities located in Valleyfield, Quebec; Medicine Hat, Alberta; and Napanee, Ontario.

STRENGTHS:

- Strong relationship continues with the third party procurement organization, ICG Commerce continues. ICG has been contracted by Goodyear Corporate to handle all materials handling purchases.
- The contract with Goodyear Tire & Rubber Corporation still includes provisions for service, parts, rentals, and new units.
- Highly successful total fleet truck implementation at Goodyear production facilities now fulfilled by Barloworld North Carolina, Barloworld South Carolina, and Barloworld Alabama.
- Successful truck implementation of trucks to Goodyear Distribution Centers across the United States.

WEAKNESSES:

- The complexities of completing surveys accurately still continue due to the size of replacement fleet.
- Many sites have union technicians. Though some Goodyear facilities have considered maintenance programs, so far only one facility has agreed to relieve the union maintenance technicians.
- We continue to have some regional dealer difficulties with regard to customer service levels.
- Progress has been made regarding the resentment the plants feel towards ICG Commerce and Goodyear Corporate involvement in their materials handling purchases.

Hyster Company • 1400 Sullivan Drive • P.O. Box 7006 • Greenville, North Carolina • 27834-7006
Toll Free: 1-800-HYSTER1 Main: 252-758-4978 Fax: 252-931-7877 www.hyster.com www.hysteramericas.com

OPPORTUNITIES:

- Goodyear still has 36 facilities (Distribution and Manufacturing) in the United States, 9 in Canada and 3 in Mexico.
- Goodyear is backing the purchase program to replace their outdated equipment with new trucks through a creative leasing program.
- The current agreement(s) now in place with Goodyear in Akron, Ohio is for the United States and for Canada.
- Goodyear also manages facilities in Europe, Africa, South America, Asia and Australia.

THREATS:

- An uncertain economy may prolong the order process and limit capital spending. With this in mind, some facilities are hesitant to move forward with total fleet replacement.
- Some facilities have a history &/or current relationship with other material handling suppliers. Though we have a contract with Goodyear, awareness of what the competition is doing is key.

STRATEGY:

We will continue to foster corporate relations with the facilities and Goodyear Corporate. Due to uncertain economic conditions, for facilities that were entertaining total fleet replacement, we will attempt to implement new equipment by department. This approach will benefit Goodyear by being easier to manage and budget. The process of reviewing surveys and quoting each plant will continue, along with standardization of Goodyear's fleet, lease terms and hours were possible.

Hyster Company • 1400 Sullivan Drive • P.O. Box 7006 • Greenville, North Carolina • 27834-7006
Toll Free: 1-800-HYSTER1 Main: 252-758-4978 Fax: 252-931-7877 www.hyster.com www.hysteramericas.com