HYSTER COMPANY

Americas Division

SUBJECT: 2009 SWOTS Analysis

<u>ACCOUNT</u>: *Kimberly-Clark*

<u>STRENGTHS</u>:

- Strong corporate relationships
- Superior product – E-Z and E-XN product line that surpasses the competition both in performance and cost to operate

<u>WEAKNESSES</u>:

- Product availability
    - Lead times of 16 to 20 weeks; have stained relationships at the local level.
- Service Labor Cost
    - Pressure from independent service agents has push out many of our dealers. The main influence has been labor cost per hour.

<u>OPPORTUNITIES</u>:

- Pick-up new business based upon our E-ZN product
- Fleet Management.
    - KC is under tremendous pressure to reduce their operating cost. Currently, their main focus is time and material labor cost. A solid fleet management program would provide them the necessary tools to identify, track and reduce their maintenance cost

<u>THREATS</u>:

- 3PL provides the biggest threat to our business. More and more of their distribution is outsourced through 3PLs. Each 3PL purchase equipment independently of KC.
- Independent services agents unqualified to work on our trucks.

<u>STRATEGY:</u>

- Engage the sales process 7 to 9 months prior to need, which will neutralize the long lead times.
- Demonstrate our E50ZN truck to those locations that currently use competitive brand equipment.
- Promote our fleet maintenance program focused on uptime and hourly cost instead of hourly labor rate.
    - This strategy will also neutralize the independent agent.

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