



HYSTER COMPANY

Americas Division

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

ACCOUNT: Nestle

BACKGROUND:

Nestle is a large multi-national corporation based in Switzerland. Divisions of Nestle in the U.S. that Hyster does business with are, Pet, Waters, Prepared Foods, Nestle Canada and Nestle Distribution. Reported revenues in 2005 were \$69,523,000.

STRENGTHS:

- Hyster dealers have relatively good relationships with the Pet Division locations
- Hyster dealer network is well positioned to service all Nestle locations.
- Full Class I-V offerings of trucks Nestle uses.

WEAKNESSES:

- Product lead time issues in the past twelve months have soured Nestle on us
- Dealer support issues in Florida, Tennessee, Georgia and Canada has pushed all Nestle Waters Class IV truck business to Yale
- Waters prefers to do business with Yale dealers
- Truck specification problem in Dekalb, IL well known throughout entire Nestle network

OPPORTUNITIES:

- Recent bid package for 2007 equipment includes 150 S50/70FT units
- Increased need for reach trucks in Nestle prepared foods division
- Reluctance to use Toyota products because of expensive parts pricing
- Nestle has yet to see electric powering steering B60/80Z
- Nestle will need full demonstration of benefits of AC reach.

THREATS:

- Yale is well positioned with Waters division
- Yale awarded Nestle Class I truck contract
- Crown incumbent with Nestle prepared foods and has created ergonomic questions about Hyster Class III products





HYSTER COMPANY

Americas Division

STRATEGY:

We have been invited to participate in Nestle's online bid for 2007 equipment, which includes over 100 Class II-V trucks. Dealers have generally good relationships with local plants and continue to offer quotations. Local plants continue to have purchasing authority.

2007 Should be a rebuilding year to try and stabilize past truck or service issues with Nestle. Relationships with corporate purchasing will need to be rehabilitated and any successes need to be well documented. Further distinctions need to be made between the level of service and support with Hyster National accounts and Yale Chase.

If rehabilitation is successful with corporate purchasing Hyster Fleet Services could be used to present new solutions for Nestle locations.

