HYSTER COMPANY

Americas Division

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

ACCOUNT: *PEPSICO*

STRENGTHS:

- Many of the Pepsi facilities especially the bottling and distribution facilities have Hyster equipment that has performed very well in high throughput operations.

WEAKNESSES:

- Hyster is not an approved supplier for Pepsico. Pepsico has a centralized purchasing program that does not allow orders to be placed by unapproved lift truck suppliers.
- Pepsico does not currently perceive a need for two NACCO brand suppliers.

OPPORTUNITIES:

- Present a compelling value proposition for including Hyster as an approved vendor.
- Leverage the improved Fortis product as an entrée for areas where Hyster has obvious superior support over competitors.
- Provide material handling industry wide examples where Hyster 4 wheel electric product has been the lowest cost of ownership.
- Individual Pepsi bottling and distribution facilities have chosen to issue purchase orders direct rather than through the corporate purchasing program.

THREATS:

- Pepsico is not currently soliciting for additional approved lift truck suppliers.
- Pepsico corporate purchasing will not entertain information, quotes or demonstrations from Hyster while not an authorized supplier.

STRATEGY:

- Continue to contact Pepsico to show a high level of interest in obtaining an approved supplier status.
- Encourage Hyster dealers to approach Pepsico facilities especially local stores to win the service business and investigate potential new equipment sales.
- Get in early as a bidder on Greenfield facilities especially in the Quaker Oats brand where the tie to Pepsico corporate purchasing does not appear to be as strong.

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