



HYSTER COMPANY

Americas Division

SWOTS 2009

Account: Weyerhaeuser

BACKGROUND:

Weyerhaeuser is one of the world's largest producers of softwood lumber, hardwood lumber, engineered lumber, softwood market pulp, and is one of the largest private owners of merchantable softwood timber. In North America, they are among the largest producers of structural panels and distributors of wood products.

Weyerhaeuser has sold all 72 packaging locations, 10 specialty packaging plants, 4 kraft bag and sack locations and 19 recycling facilities this year. Weyerhaeuser will continue to focus on those areas that present the greatest opportunities for the future and that is trees and the land.

Weyerhaeuser is one of Hyster's largest and oldest national accounts, with sales in excess of \$14 million annually.

STRENGTHS:

- Strong relationship at corporate level and a vast acceptance of both product and dealers by most sites on a local level.
- Most sites recognize Hyster as their "forklift supplier." Sites that have sought alternative vendors (Cat, Linde, Taylor) over the past few years have started to return to Hyster because of ongoing difficulties with non-Hyster product and dealer support.
- WH has decided to pare down approved vendor base from 3 suppliers to only two future suppliers. They have asked Hyster to be a partner in the development of telemetric monitoring systems as well as a possible fleet management solution and the standardization of specifications.

WEAKNESSES:

- Long lead times for Northern Ireland Product and SPED items have upset some sites, parts pricing and availability on HD product
- Certain sites have had lingering tech issues that cannot seem to be resolved.
- Some sites are viewed by dealer network as "guaranteed customers" and the level of dealer service has been poor or mediocre.





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- WH has divested many I-Level sites and many remaining I-Level sites have elected to utilize Combi-Lift (side loaders) for handling long loads

OPPORTUNITIES:

- WH has implemented a standardization of specifications for all business segments. NAM working on implementing new quoting and ordering process
- Ability to influence product choice

THREATS:

- Sites seeking large machines have also been utilizing Taylor and Linde as an alternative due to mechanical issues with our HD product
- Weyerhaeuser has tremendous pressure to reduce cost in 2009 and possible closure of more plants

STRATEGY:

Continue to push well-accepted Fortis product line in paper roll handling applications as well as work to gather back order share lost to Linde at recycle locations. Work to sustain very strong share position in lumber and hardwood applications and bolster slight share loss at I-Level sites. Continue to work with the corporate office to provide a total material handling solution to WH.

This is something that only Hyster can offer amongst the group of current approved vendors via a complete product offering, fleet management and viable dealer network.

Strive to effectively solve technical issues as they arise. Continue to pursue the standardization of machine specifications throughout the WH network. Provide creative cost-saving programs like "Power-by-the-Hour" that will ensure both share growth and well as a strengthened relationship.

