



The Safe Choice

HYSTER COMPANY

Americas Division

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

ACCOUNT: Sonoco

STRENGTHS:

Sonoco recognizes our product excellence and Hyster is virtually the only choice for their mill applications. Our new FT products have been well received, and I have positive feedback from sites on our maintenance costs vs. other units.

WEAKNESSES:

As an organization Sonoco is not different in that its varied locations can either chose to participate by choice or fight the corporate direction. Local relationships and Dealer presents will only improve our status as compared to our competition. Toyota is technically the primary supplier, but we have received the majority of the business.

OPPORTUNITIES:

While Hyster Company holds minority vendor status to Toyota we have received the majority of orders. Dealer participation at the local level has illustrated gaps or friction in the Toyota National Account program, and the Hyster organization been generally recognized as having better service. Sonoco is beginning to understand that their current costs related to long term ownership are not aligned with industry trends, and that significant savings opportunities exist in a fleet replacement program.

THREATS:

Toyota and Nissan continue to hold share due to both brand recognition and pricing - their dealers in some select locations have excellent relationships. Those plants popularize those relationships promoting their products. Additionally CJK services is a maintenance "watchdog" for Sonoco reviewing warranty claims and service billing. Their data, valid or not, is used to for cost per hour fleet analysis, and as an organization we need to be concerned about the data we supply and the documentation that we present.

STRATEGY:

Achieve a 2008 - 2009 Single Source contract with Strategic Partner Supplier recognition by promoting the value and competitive features of Hyster Equipment, the Dealer Network, and the National Account program. 2006 bookings exceeded 50 and the forecast for and 2007 is between 60 and 100 each year. The Senior Sourcing Specialist at Sonoco is the driver of their replacement program and operates as a "one man band"...our level of support and urgency is directly linked to the next 2 years booking volume.

