



HYSTER COMPANY

National Accounts

Hyster National Accounts Account Update

Account: Costco Wholesale Corporation (Costco)

Address: Issaquah, WA

NAM: Chris Plude (816) 524-4543 email: chris.plude@hyster.com

Dealer: Nationwide

General Account Strategy: Exceed customer expectations of Account & Fleet Management and communications. Build upon Depot success to allow Hyster to compete for additional business in the Depots with Class III and to enter our product into the Warehouse business in Class I & III. Demonstrate savings to Costco Depots with our AC Technology and Fleet Management. Focus on improved response and account management by our dealers.

Current Opportunity: Invite Costco to participate in the design process of the next generation of the HSD series to help incorporate their needs in the new design. Improve communication on Fleet Management and continue to follow the scheduled maintenance to allow Hyster to compete for the rest of the business. Meet with dealer personnel to develop local strategy for customer facilities.

Products / Applications: The fleet mix is 49% Class 1, 1% Class II and 50% Class III. Depots: Cross Dock Application Warehouse: Is their active store

Recent Wins: Over 140 new E45Z's where purchased in 2005.

Challenges: With 40 Depots and over 400 Warehouses this is a huge account. Teamwork from Hyster and our strong Hyster Dealerships will be required if we are to maintain and grow this customer to its true potential. A more proactive approach is required on maintenance with Costco. We need to point out and make the Depot Managers aware of potential cost saving and areas that need improvement.

Competitive Landscape: Depots: Hyster has 100% of the Class I, Crown has 90% of Class III with Raymond getting the other 10% of Class III. Warehouse (Stores): Crown has 90% of Class I, II & III with Raymond getting the other 10%. Linde and Toyota have demo'ed Class I equipment to Costco for the Depots and they are trying very hard to dislodge Hyster from being the sole provider of Sit-down Electrics for the Depots. They are offering very aggressive lease and maintenance rates.





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Next Steps: How Hyster Dealers can drive additional sales:

1. Continue contact and communications with your local Depots, especially get to know the Depot Manager.
2. Contact Chris Plude immediately if problems arise with maintenance or any other issues.
3. Provide proactive approach to preventive maintenance and be timely with warranty work. It is essential that we provide a loaner unit if any equipment is going to be down longer than 48-hours. It is part of the contract and Costco is paying for it.

Sincerely,

Christopher Plude

Manager, National Accounts

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