



Fortis Case Study

Cadence Innovations

Description

- Cadence Innovation was formed in 2005 as a Tier 1 supplier of Automotive Interiors and Exterior Trim. In the United States, they primarily make parts for GM, Ford, and DCX, with annual revenue of \$1 Billion.
- They had a forklift fleet of approximately 150 trucks that was made up of a mixture of Toyota, Mitsubishi, and Yale trucks. Roughly 50% of the fleet was made up of Toyota Short Term Rentals. Cadence was experiencing significant Overtime Bills and excessive down time with their fleet.
- Each plant made their own decisions with respect to forklift suppliers. Under Cadence management they decided to centralize their purchases, and reduce their overall costs.

Challenges and Concerns

- Cost of Operation, Operator Productivity and Ergonomics were the key elements in supplier selection
- Management recognized that they needed to focus on building Automotive Parts, and the decision was made to take the burden of managing forklift fleets away from the plants.
- Not having a Hyster presence at the plants was a major challenge, since they were only familiar with Toyota, Mitsubishi, and Yale.

Solution

- The Proposal was for 75 Hyster S50FTs.
- Toyota and Hyster were invited to demo equipment. We had to take the focus off of price and emphasize the value added features of the Hyster Fortis Product.
- Both Toyota and Hyster would demo at the same plant at the same time. Each of the 7 plants had 2 representatives in attendance that would provide their recommendations. None of the plant personnel had pricing information, and had to provide their feedback strictly on the equipment.

Ergonomics

- The Full Suspension Seat with Mini-Levers was immediately recognized as superior to the Toyota Series 7 Cowl Hydraulic offering. The Rear Horn/Handle was also a great feature we emphasized.

Operator Productivity

- The easy access to the Daily Operator Safety Checks was also key.

Cost of Operation

- Although the plants were not given pricing information, they knew that they had a significant Tire Replacement Cost. Auto-Deceleration and Power Reversal convinced them how the DuraMatch Transmission would save them money on Tire replacements.

Results - Why they Chose Hyster Company and Great Lakes Power Lift

- After the demo, we were called in to meet with the Director of Materials for Cadence Innovation. He said he thought the deal was going to be a slam dunk for Toyota, but the feedback he received on the Hyster Fortis truck was impressive. The things we needed to do to seal the deal:
 1. Revisit our Lease with Maintenance Package and justify our higher price than Toyota.
 2. We had to come up with at least 25 Rental Trucks immediately and replace 25 Toyota's Short Term Rentals.
 3. Get better Lead Times from Hyster for another 25 trucks. And have them built and delivered in 8 weeks.

End Result

- Great Lakes Power Lift was awarded 75 S50FTs. The Operator Comfort and DuraMatch Transmission Benefits were the main factors that lead us to success.
- New trucks have been in service for about 6 months now, and we have not had any significant service issues. Some minor hydraulic calibrations, light bulb replacements, and a few premature tire failures are the only issues we have had to address.