



With sales on the rise for the second consecutive year, the worldwide industrial lift truck market is revved up.

By Lorie King Rogers, Associate Editor

Last year, *Modern's* Top 20 lift truck suppliers story started on an upbeat note. It read: *The worldwide industrial lift truck industry spent the better part of 2009 in a rut. Sales were down 39%, but it appears the worst may be over.*

So, one year later, did we get it right? Not only did we hit the right note, we watched the lift truck industry take it even higher than expected. Last year when *Modern* spoke with Jeff Rufener, president of the Industrial Truck Association (ITA, www.indtrk.org) and vice pres-

ident of marketing for Mitsubishi Caterpillar Forklift of America, industry sales figures were up 40% over the same time period as the previous year. But he didn't expect that rate to continue throughout 2010. Happily, Rufener admits he was wrong. That rate of increase held up, and North American distributors saw 2010 orders finish up 40% better than in 2009.

Hold on, though; Rufener still is cautious. He says business was good last year and is better than expected this year, but it's still fragile.

ITA's lift truck classes

The Industrial Truck Association (ITA, www.indtrk.org) has defined seven classes of lift trucks, or forklifts, which are defined by the type of engine, work environment, operator position and equipment characteristics.

Forklift classes include:

- **Class 1:** electric motor trucks with cushion or pneumatic tires
- **Class 2:** electric motor narrow aisle trucks with solid tires
- **Class 3:** electric hand trucks or hand/rider trucks with solid tires
- **Class 4:** internal combustion engine sit down rider forklifts with cushion tires, suitable for indoor use on hard surfaces
- **Class 5:** internal combustion engine sit down rider forklifts with pneumatic tires, suitable for outdoor use on rough surfaces
- **Class 6:** electric or internal combustion engine powered, rider units with the ability to tow (rather than lift) at least 1,000 pounds
- **Class 7:** almost exclusively powered by diesel engines with pneumatic tires, these units are suitable for rough terrain and used outdoors.

Since mostly classes one through five are used in materials handling applications inside the four walls, *Modern* has only specified those on our supplier table.

One reason for the fragile condition is manufacturing. Manufacturing had been a bright spot in the economic recovery, says Rufener, but that has started to slow recently. Meanwhile, unemployment is above 9% and gas is hovering at \$4 a gallon.

On the up side, one solid contributor to the lift truck industry's annual growth is the fact that capital goods are a cyclical business. "Later on in 2010, we saw dealers rebuilding inventory and replenishing their rental fleets, which they hadn't done in several years," Rufener says. "This reflects increased customer demand and is

a direct reflection of the economic activity dealers see in their territory and in their expectations for future growth."

Back in black

So, the future looks good, but what about today? That's also looking good, and the proof is in the numbers. According to ITA's worldwide industrial truck figures, shipments were up 132% in 2010. (See the "Worldwide lift truck market" table.)

This is not just a North American phenomenon: Last

Worldwide lift truck market

| Region | Orders | | | Shipments | | |
|--------------|----------------|----------------|-------------|----------------|----------------|-------------|
| | 2009 | 2010 | % Change | 2009 | 2010 | % Change |
| Europe | 200,311 | 259,932 | 130% | 207,082 | 245,512 | 119% |
| Americas | 118,929 | 181,060 | 152% | 128,246 | 152,160 | 119% |
| Asia | 206,531 | 322,953 | 156% | 207,207 | 314,307 | 152% |
| Africa | 9,721 | 15,534 | 160% | 9,953 | 14,243 | 143% |
| Oceania | 11,340 | 14,973 | 132% | 12,451 | 14,468 | 116% |
| Total | 546,832 | 794,452 | 145% | 561,939 | 740,690 | 132% |

Source: These figures are from the World Industrial Truck Statistics organization.

ITA's lift truck classifications

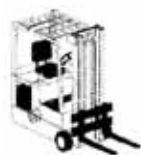
Class 1, Lift Code - 1

Counterbalanced Rider Type, Stand Up



Class 1, Lift Code - 4

Three Wheel Electric Trucks, Sit Down



Class 1, Lift Code - 5

Counterbalanced Rider, Cushion Tires, Sit Down



Class 1, Lift Code - 6

Counterbalanced Rider, Pneumatic or Either Type Tire, Sit Down



Class 2, Lift Code - 1

High Lift Straddle



Top 20 lift truck suppliers in 2010

| Rank | Company | 2009 Rank | 2010 revenue* | North American brands | World headquarters |
|------|--|-----------|-----------------|--------------------------------|---------------------|
| 1 | Toyota Industries Corp. | 1 | \$5.9 billion | Toyota, Raymond | Aichi, Japan |
| 2 | Kion Group | 2 | \$4.7 billion | Linde, Still OM, Baoli | Wiesbaden, Germany |
| 3 | Jungheinrich Lift Truck Corp. | 3 | \$2.4 billion | Jungheinrich | Hamburg, Germany |
| 4 | Crown Equipment Corp. | 4 | \$1.8 billion | Crown, Hamech | New Bremen, Ohio |
| 4 | NACCO Industries | 5 | \$1.8 billion | Hyster, Yale | Cleveland, Ohio |
| 6 | Mitsubishi Caterpillar Forklift | 6 | \$1.2 billion | Mitsubishi, CAT | Sagamihara, Japan |
| 7 | Komatsu Utility Co. | 7 | \$1 billion | Komatsu, Tusk | Tokyo, Japan |
| 8 | Nissan Forklift Corp. | 9 | \$900 million | Nissan, Barrett, Atlet | Tokyo, Japan |
| 9 | TCM Corp. | 10 | \$889 million | TCM | Tokyo, Japan |
| 10 | Anhui Forklift Group | 8 | \$777 million | Heli | Hefei, Anhui, China |
| 11 | Nippon Yusoki Co. | 11 | \$747 million | Not available in North America | Kyoto, Japan |
| 12 | Clark Material Handling | 13 | \$570 million | Clark | Seoul, South Korea |
| 13 | Doosan Infracore | 12 | \$475 million | Doosan Infracore | Seoul, South Korea |
| 14 | Zhejiang Hangcha Engineering Machinery Co. | 15 | \$313 million** | HC | Hangzhou, China |
| 15 | Hyundai Heavy Industries | 16 | \$258 million | Hyundai | Ulsan, South Korea |
| 16 | Tailift | 17 | \$125 million** | Tailift, World-Lift | Taichung, Taiwan |
| 17 | Combilift | 18 | \$110 million | Combilift | Monaghan, Ireland |
| 18 | Hubtex | 20 | \$75 million** | Hubtex | Fulda, Germany |
| 19 | Hytsu | 19 | \$69 million | Hytsu | Shanghai, China |
| 20 | Godrej & Boyce Manufacturing | NA | \$67 million | Not available in North America | Mumbai, India |

*Fiscal year 2010 worldwide sales revenue; figures based on foreign exchange rates as of 12/31/10.

**Figure based on industry estimate

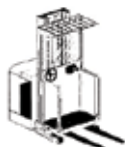
year, shipments were up around the globe.

- Asia experienced the biggest jump, with a 152% increase in shipments. The region went from a 23% decline in 2009 shipping 207,207 units to shipping 314,307 units in 2010.

- Africa was right up there with an increase of 143%. After shipping 9,953 units in 2009 and experiencing a 40% decline, the African region shipped 14,243 units in 2010.

- Europe shipped 245,512 units in 2010, which

Class 2, Lift Code - 2
Order Picker



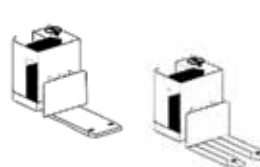
Class 2, Lift Code - 3
Reach Type Outrigger



Class 2, Lift Code - 4
Side Loaders, Turret Trucks,
Swing Mast and Convertible
Turret/Stock Pickers



Class 2, Lift Code - 6
Low Lift Pallet and Platform
(Rider)



Class 3, Lift Code - 1
Low Lift Platform



| ITA class of trucks manufactured | | | | |
|----------------------------------|---------|---------|---------|---------|
| Class 1 | Class 2 | Class 3 | Class 4 | Class 5 |
| x | x | x | x | x |
| x | x | x | x | x |
| x | x | x | | x |
| x | x | x | x | x |
| x | x | x | x | x |
| x | x | x | x | x |
| x | x | x | x | x |
| x | x | x | x | x |
| x | x | | x | x |
| x | x | x | x | x |
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| x | x | x | x | x |
| x | x | | x | x |
| x | | x | x | x |
| | x | | x | x |
| x | x | x | x | x |
| x | x | x | x | x |
| x | x | x | x | x |

resulted in 119% increase after experiencing a decline of 48% in 2009.

- The Americas also experienced a 119% increase in 2010 after a decline of 43% in 2009. The region shipped 152,160 units in 2010, compared to 128,246 in 2009.

- Oceania also overcame a 48% decline. In 2009 the region shipped 12,451 units, compared to 14,468 units in 2010, resulting in a 116% increase.

In total, worldwide shipments rose from 561,939 in 2009 to 740,690 in 2010, an impressive 132% increase. With the numbers calculated and each of the worldwide regions performing well, the Top 20 lift truck suppliers also performed well independently.

The Top 10

The top suppliers are at the top of the list again this year and almost in the exact order. Last year's leading suppliers—Toyota, Kion, Jungheinrich, NACCO and Crown—continue to own the top five positions. (See the table for the complete list of suppliers.)

Toyota, which manufactures Toyota and Raymond brands, remains at No. 1 with \$5.9 billion in revenue, up from \$4.6 billion in 2009. The Kion Group, which includes North American brands Linde, Still, OM and Baoli, retains the No. 2 position with \$4.67 billion in revenue, up from \$4.1 billion.

Jungheinrich holds on firmly to the No. 3. spot with \$2.4 billion in revenue, up slightly from \$2.3 billion in 2009. Crown and NACCO, which ranked in the No. 4 and No. 5 positions in 2009, respectively, both come in at \$1.8 billion and share the No. 4 position. Crown saw an increase in revenue up from \$1.6 billion, while NACCO, which includes North American brands Hyster and Yale, rose from \$1.5 billion.

The five remaining top 10 lift truck suppliers are also back, with only a slight variation in the order. Rounding out the top 10 are Mitsubishi Caterpillar Forklift, back in No. 6 position; Komatsu, back in the No. 7 position; Nissan moving up one position to No. 8; TCM Corp. also moving up one position to No. 9; and Anhui Forklift Group dropping two positions to No. 10.

Class 3, Lift Code - 2
Low Lift Walkie Pallet



Class 3, Lift Code - 3
Tractors (Draw Bar
Pull Under 999 lbs.)



Class 3, Lift Code - 4
Low Lift Walkie/Center
Control



Class 3, Lift Code - 5
Reach Type Outrigger



Class 3, Lift Code - 6
High Lift Straddle



How the suppliers are ranked

To be eligible for *Modern's* annual Top 20 lift truck suppliers ranking, companies must manufacture and sell lift trucks in at least one of the Industrial Truck Association's (ITA) seven truck classes: electric motor rider; electric motor hand trucks; internal combustion engine; pneumatic tire; electric and internal combustion engine tow tractors; and rough terrain for lift trucks.

Rankings are based on worldwide revenue from powered industrial trucks during each company's most recent fiscal year. Revenue figures submitted in foreign currency are calculated using the Dec. 31, 2010 exchange rate.

Changes in the line up

Absent from this year's list is the French supplier Manitou. While the company has had a good year, its company spokesperson told *Modern* the company preferred to be removed from the list because it supplies mostly rough terrain vehicles and doesn't compete with the majority of suppliers on this list.

New to the list this year is India's Godrej & Boyce Manufacturing. In last year's story, we suggested keeping an eye on the emerging lift truck market in India. This year it paid off for Godrej & Boyce Manufacturing as the company makes its first appearance on *Modern's* Top 20 list in the No. 20 position with \$67 million in revenue.

The BRIC market

India is one of the four countries that comprise what the lift truck industry refers to as BRIC, which is an acronym for the combined countries of Brazil, Russia, India and China. In 2010, BRIC's lift truck market was up 84% over 2009, and through the first quarter of 2011, it was up 44% over 2010. According to Rufener, there are huge rates of growth in these emerging markets. And, of

the four BRIC countries, Rufener says, China is dominant, accounting for about 80% of total demand.

In the coming months, we'll keep an eye on the B in BRIC. Brazilian supplier Paletrans came close to making this year's list, with \$55 million in revenue.

Making the list

To make *Modern's* Top 20 list this year, suppliers had to make at least \$67 million in revenue in 2010. As a point of comparison, the cut off was \$60 million in 2009 and \$98 million in 2008.

The top five suppliers combined reported revenue of more than \$16.6 billion; seven of the top 10 suppliers reported revenue in the billions, as opposed to five in the billions last year.

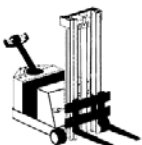
The combined 2010 revenue for all 20 companies on the list tops \$24.17 billion, compared to \$20.17 billion in 2009, \$28.99 billion in 2008, and \$31.67 billion in 2007. While the total isn't back up to 2007 levels, the numbers are on the rise.

Going forward, going green

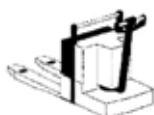
Also on the rise is the continued, ongoing interest in green technology, particularly the demand for electrics. "We're seeing, and will continue to see, an increase in electrics," says Rufener. "Even with strong economic recovery and dealer growth, electrics are still 60% of the mix and are expected to exceed that percentage sold in North America."

According to Rufener, we're seeing more companies embrace green technology simply for sake of being able to demonstrate a commitment to environment. "Companies are willing to spend money to go green and are not be driven solely by the cost-benefit analysis," Rufener says. "Every application is different. While some prove it to be cost effective, others that aren't so clear, but companies will go green for sake of environmental responsibility."

Class 3, Lift Code - 7
High Lift Counterbalanced



Class 3, Lift Code - 8
Low Lift Walkie/Rider Pallet



Class 4, Lift Code - 3
Fork, Counterbalanced
(Cushion Tire)



Class 5, Lift Code - 4
Fork, Counterbalanced
(Pneumatic Tire)

