

# Ford Gives Bonuses To Workers

By TOM KRISHER  
Of the Associated Press

DETROIT (AP) – Ford Motor Co. will give bonuses but not pay raises to its U.S. and Canadian white-collar workers as the company tries to keep its costs down to stay competitive with other global automakers.

Ford spokeswoman Marcey Evans said Ford surveyed 21 peer companies, including General Motors and Chrysler, and determined that its salaries are competitive.

She also said that Ford needs to keep costs down to be price-competitive with other global automakers.

Many companies in the auto industry are mindful of the financial troubles from 2009 and are reluctant to give annual pay raises that can increase structural costs and push up the price of cars and trucks in a highly competitive market. One-time bonuses compensate employees for work but don't add to the annual cost.

Workers were told about the decision late last week. Ford has about 20,000 U.S. salaried workers. The size of their bonuses is based on performance of the individual worker and their department. Evans said the amounts won't be determined until after Ford releases 4th quarter earnings.

The company's 41,000 U.S. blue collar workers will get profit-sharing checks. All the checks will go out in March.

"Keeping an eye on competitiveness is really a driving factor in the business decisions Ford is making," Evans said.

Meanwhile, General Motors CEO Dan Akerson said earlier last week that GM would not give white-collar raises, but would give bonuses tied to performance. GM, he said, used to give annual raises all the time.

"Three percent times five years in a row is 15 percent added to your cost structure," Akerson told the World Congress at the RenCen.

Ford, Evans said, gave out merit pay raises to white-collar workers last year. Managers in other Ford locations across the globe also will get bonuses, but those are set by the individual country (Ford unit), Evans said.

# TRW Works On Signals

LIVONIA – TRW Automotive Holdings Corp., the global leader in automotive safety, has launched its next generation Steering Column Control Modules (SCCM) on Ford Motor Company's Super Duty, F-Series, Edge, Explorer and the Lincoln MKX.

The SCCM incorporates high level electronic integration which features functions such as turn signal, headlamp switch inputs, high-low beam selector, front and rear wiper wash, pedal adjust switch, tilt-telescoping steering column switch and motor drivers, hazard warning, steering wheel switch signal processing, steering angle sensing, and the unique feature of electronic turn signal cancel.

TRW's electronic turn signal cancellation features software that can be tuned to any driving situation or customer preference and eliminates customer complaints of failure to cancel. The software based system replaces mechanical mechanisms resulting in lower cost, higher reliability, improved feel, and silent operation. When fully launched, volumes are expected to be approximately 1 million units annually.

In parallel to these launch cycles, TRW is currently developing the next successive generation of SCCM products for Ford's upcoming global vehicle line. The features and benefits of these products will be available to all vehicle manufacturers.

"These programs clearly distinguish TRW as a world leader in the Steering Column Control Module business," says Victor Peltola, sales director for TRW North America Body Control Systems.



PHOTO: GERALD SCOTT

Rodin's "The Thinker" comes to mind as this visitor checks out a Ford cutaway vehicle at the Detroit auto show last week in the Ford pavilion at Cobo Center.



PHOTO: GERALD SCOTT

Seemingly everybody had a bigger spring in their step at the 2011 Detroit auto show, which continues its public run this week through Jan. 23 at Cobo Center.



PHOTO: GERALD SCOTT

Chrysler was in the proverbial driver's seat at the Detroit auto show with a large exhibit that included Fiat, Jeep and its other popular name brands.

# Automakers Bring 'A Game' to Cobo

By COREY WILLIAMS  
Associated Press

DETROIT (AP) – Automakers are spending more money on glitzy, state-of-the-art exhibits at the North American International Auto Show in Detroit – something organizers of the annual event believe is a good sign for the industry as well as the economically embattled city and region.

Many of the displays being erected this week at Cobo Center are larger than in past years, according to auto show co-chair Bill Perkins who helped lead reporters last week on a tour of the venue, which also got a face-lift of its own for this year's gathering.

"When they come to this show, they're coming with their 'A' game," said Perkins, owner of General Motors dealerships. "It's a very competitive environment right now. The market is starting to come back.

"Detroit needs to shine. Everyone wants to make sure we have a good showing this year."

The Detroit auto show begins next Monday and runs through Jan. 23. It opens to the public Jan. 15.

It follows a strong 2010 for U.S. auto sales, which rose for the first time since the recession. New car and truck sales came in last year at 11.6 million, up 11 percent from 2009. December sales rose to 1.14 million, an 11 percent leap from a year earlier.

"It's an exciting time," said

Scott LaRiche, vice president and executive manager of Lou LaRiche Chevrolet. "It's almost like a resurgence of Detroit. When you have Chrysler and GM and Ford in this town, it's very important to shine with this show. So many people from around the world are looking in on this."

Porsche, which missed the last three shows in Detroit, is returning this year.

"Having Porsche back is validation that the North American International Auto Show is the place to get your message out in North America," said auto show chair and Meade Lexus president Barron Meade.

Organizers expect a continued increase in the auto show crowd, as people feel better about the economy and vehicle sales rise. Attendance last January was just over 714,000, a jump of about 65,000 over 2009, according to show spokesman Sam Locricchio.

The auto show "remains the Super Bowl event for the local economy," according to David Sowerby, portfolio manager for the Loomis, Sayles & Co. investment firm.

Sowerby estimates the economic impact of the show at between \$375 million and \$400 million. "It will be a meaningful improvement from a year ago levels," he said.

Auto show officials estimated last year's economic boost for the region at \$325 million.

Whether Detroit will keep hosting the event in the long term has been in doubt. Organizers have complained that

the aging convention center needs improvements and more floor space for the auto show to stay competitive. Oakland County pushed to move it to the Detroit suburb of Novi, about 20 miles northwest of Detroit.

But a regional board, which took over Cobo's operation from the city of Detroit, has pumped about \$3 million in upgrades to the venue, including \$400,000 to repair leaks in the building's roof. About \$1.5 million was spent on electrical upgrades, which makes it easier for vendors working on sets for the auto show.

A 25,000-square-foot expansion also is planned for the 2012 show.

Fear of losing the auto show no longer exists, said Larry Alexander, chair of the Detroit Regional Convention Facility Authority.

The five-member board is made up of representatives from the city, the governor's office and Wayne, Oakland and Macomb counties.

"The Authority is committed to being sure the convention center makes the improvements necessary to ensure the auto show remains the pre-eminent auto show in the world," Alexander said. "The dollars that are in-place are being spent very wisely that, from a competitive standpoint, we have a facility to serve the auto show."

The updates also are expected to help attract and keep other conventions at Cobo, he added.

# Auto Show a Smash Hit, With Smiles All Around

By Gerald Scott  
Editor  
U.S. Auto Scene

Ladies and gentlemen of the auto industry, now *that's* a car show.

The annual North American International Auto Show (NAIAS), something of a dud the past few years because of all the navel-gazing and economic problems, returned with gusto last week.

The press days of NAIAS, at least, were among some of the most exciting that the Detroit auto show has seen in years and it couldn't have come at a better time for everybody involved.

Bill Ford, Jr., chairman of Ford Motor Co., was doing a TV interview immediately following the Ford press conference Jan. 10 and he observed that the past four-five years have been of the "white-knuckle" variety for the folks in Dearborn.

Now that the entire industry has apparently reached calmer waters, perhaps that helps explain why everybody seemed to have a bounce in their step at Cobo Center last week as a whole new generation of vehicles were kicked off (public days run Jan. 15-23, by the way).

GM CEO Dan Akerson, new to the auto show, had this to say at the World Congress at the RenCen:

"The Detroit Auto Show is my first major auto show since becoming CEO. The last few days have been a lot of fun, and I've really enjoyed them. They have reaffirmed what I've felt about the auto industry for a long time – it is exciting, dynamic, and absolutely essential to our manufacturing sector and national economy," Akerson said.

"There must always be a vibrant American auto industry . . . one that is capable of going toe-to-toe with the best automakers around the world.

"I've been in this business for a relatively short period of time. You know it far better than I do. But when I walk the show at Cobo, I am struck by just how tough the global competition is in this business. The quality, the engineering, the innovation from every corner of the world – it is truly awesome."

Indeed, the domestic carmakers have shrunk relative to their burgeoning sizes in

the 1990s, but the cars and trucks on display on the show floor speak well for each of the automakers' near-term futures.

Having a "hot car" or truck of the moment seems to run in cycles, so it's interesting that right now, each of the domestic automakers sure have something solid to crow about.

At GM, the Volt was launched with much acclaim last year and the Cruze seems to be following on its coattail.

The Volt, of course, was named 2011 North American Car of the Year, topping off a whole series of industry awards for the plug-in.

The new Chevy Sonic small car, by the way, was also well received by press and visitors following Chevy's press conference late last Monday evening.

Over at Ford, the Explorer won 2011 North American Truck of the Year – besting two great entries from Chrysler – the Dodge Durango and the Jeep Grand Cherokee.

Chrysler spread its auto show love across a whole series of brands now including Chrysler, Dodge, Jeep, Mopar and Fiat, the latter of which had the 2012 Fiat 500 on display – the first of many cars that Fiat plans to sell into this market.

About the only complaint heard during press week was that organizers loaded way too much activity into Monday, Jan. 10, such that most reporters were there from 6 a.m. to 8 p.m. kind of day.

Weep not for busy reporters, but the messages the automakers are trying to stress at all of the press conferences might be better received over two shorter days instead of one – something that NAIAS organizers are said to be working on already.

But, otherwise, it was "crowded" again at the auto show in that more than 5,000 media members from around the world turned out for this year's show.

All in all, the Detroit auto show is back to form, so to speak, so perhaps this bodes well for the entire calendar year of 2011 coming right up behind it.

Everyone at Cobo was smiling again, and that just hasn't happened here in a long, long time.

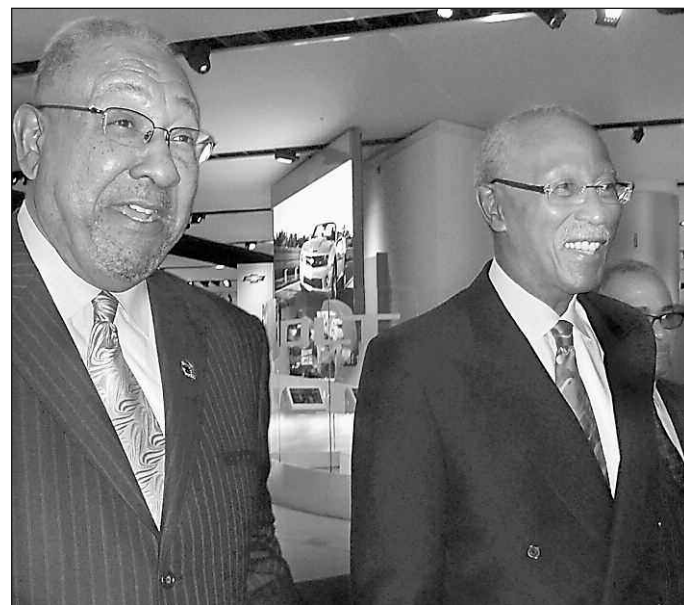


PHOTO: STEFANIE CARANO

Auto show co-chairman Bill Perkins, left, shows Detroit Mayor Dave Bing around the exhibits at Cobo Center during press week. Bing was bullish on what the auto show does for Detroit.

# Mayor Bing Tours Cobo

by Stefanie Carano  
Staff Reporter

After a family emergency that kept him away from touring Cobo Center during the construction of the North American International Auto Show, Mayor Dave Bing was finally able to arrive at the show during press preview week Jan. 12.

Bing met with NAIAS Chairman Barron Meade and Co-Chairman Bill Perkins to visit different auto exhibits including GM and Ford. While on the tour, Bing said he didn't have a favorite car.

"I'm very careful with that," he said, but added if he could afford to buy a new car at present, he'd buy a Buick. At GM's exhibit, he stopped to look at the 2011 Corvette ZR1 and the 2012 Buick Verano. At Ford, he looked at the 2012 Mustang Boss 302.

"It's very exciting," he said

of the show. "The lighting is unbelievable but the most important thing is the product."

Bing talked about Detroit and some of his agenda items for the city also. "We have to change the business climate and get people to believe in Detroit again," he said.

Bing said he is looking to the supply industry for job development in Detroit.

As for the Woodward Light Rail project, which Bing supports, he said he'll be spending a lot of time in Washington advocating for federal funding and expects to break ground on Phase I of the project either the end of this year or the start of next year.

After the tour, Meade discussed the show. "Cobo Center has the advantage of a 90-day move-in," he said. "Manufacturers can build their best displays. You can't see displays like this anywhere else in the country."