



AutoKnow



General Motors Vision Statement: GM's vision is to be the world leader in transportation products and related services. We will earn our customers' enthusiasm through continuous improvement driven by the integrity, teamwork and innovation of GM people.

GM Statement on Auto Industry Restructuring

"Monday's announcement by President Obama begins a new era for the U.S. auto industry. It also marks a defining moment in the history of General Motors. The U.S. Treasury will provide working capital financing for GM for 60 days while GM completes a more accelerated and aggressive restructuring to put the company on sound long-term financial footing. We understand the historic opportunity this presents, and we are fully committed to successfully completing the reinvention of GM.

"As President Obama said today, the success of this reinvention is vital for GM, for the U.S. and global economies, and for the millions of employees, suppliers, dealers, retirees and others who depend on the company.

"During the next 60 days, GM will address the tough issues to improve the long-term viability of the company, including the restructuring of the financial obligations to the bond holders, unions and other stakeholders. Our strong preference is to complete this restructuring out of court. However, GM will take whatever steps are necessary to successfully restructure the company, which could include a court-supervised process.

"The men and women of GM, including our dealers, suppliers and other key partners, know what we must do to accomplish this task. We are fully committed to making this successful. We owe that to the GM community, to our customers, and to the U.S. taxpayers, who are providing support during this exceptionally challenging time."

Additional Comments from GM CEO Fritz Henderson:

- "The U.S. Treasury has said that it strongly believes that a substantial restructuring will lead to a viable GM. Over the next 60 days, we will work around the clock, with all parties, to meet the aggressive requirements that have been set by the Task Force, and to make the fundamental and lasting changes necessary to reinvent GM for the long-term."
- "We have significant challenges ahead of us, and a very tight timeline. I am confident that the GM team will succeed, and that a stronger, healthier GM will play an important role in revitalizing America's economy and re-establishing its technology leadership and energy independence."
- "The administration has made it clear that it expects GM to expand and accelerate its restructuring efforts. I want the American people to know that we understand and accept this guidance. The road is tough, but the ultimate goal – a leaner, stronger, viable GM – is one we share."

UAW-GM Suggestion Program

All suggestion award payments suspended and postponed through June 2009

The weak economic situation continues to deteriorate. Therefore, the company is currently focused on cost reduction, and as a continuation of important cash conservation efforts, all divisional and plant Quality Councils will immediately work with Joint Facility Teams to suspend and postpone all suggestion award payments through June 2009. This includes Suggestion Implementation Awards and Suggestion Involvement Fund monetary awards and recognition. It is now GM's plan to pay all suggestions submitted for payment during this period in July 2009.

It remains GM's hope that the corporation will return to a financial position that permits full reinstatement of these payments in the future.

Update on Work Leaving Grand Rapids

The following is a list of part numbers and common stable part codes that Grand Rapids will be shipping, or has already shipped, over the next few weeks. We will keep you posted as more moves are announced.

GR Press Line	Part Code	Part Number	Part Name	Die Ship Date	Receiving Plant
W	A0081	15740076	Pnl-Rkr Inr RR R	4/7/2009	MARION
CO2	A0081B	B5740076	Pnl-Rkr Inr RR R	4/7/2009	MARION
P	A7609	25971543	Pnl-Frt W/H Frt L	4/7/2009	INDY
CO4	A7609B	B5971543	Pnl-Frt W/H Frt R/L	4/7/2009	MARION
CO5	A6425B	B5071627	Pnl-Sill Xbar RR	4/6/2009	FLINT
Z2	A6425	15071627	Pnl-Sill Xbar RR	4/6/2009	FLINT
Z2	A8705	15290994 15290993	Rnf-Cowl Frt R Rnf-Cowl Frt L	4/6/2009	FLINT
CO2	A2279B	A2279NBC	Rnf-S/Abs Mt Supt RR R/L	4/1/2009	PARMA
WPAN	B4147	25934850	Asm/F/Pan	4/3/2009	PARMA

What's New in the Grand Rapids Transitional Center

- **Job Fair for Grand Rapids Metal Center Employees:**

Where: National Guard Armory – 1200 44th St. SW, Wyoming

When: May 14, 10:00 a.m. - 4:00 p.m.

Who: All employees (both salary and hourly).

Also open to veterans and general public.

Potentially 75 different employers will be in attendance! Call the information line (1-866-634-7432) or visit the Transitional Center for more information. Keep watching your *AutoKnow* for upcoming events.

- **Resume and Interview Skills workshops:**

Where: Grand Rapids Metal Plant

When: April 9 (3:30-5:30 p.m.), April 15 (3:30-5:30 p.m.), April 23 (noon-2:00 p.m.)

Who: All Grand Rapids Metal Plant employees (hourly and salary)

Sign-up sheets are posted on the board outside the Transitional Self-Help Center. **The resume and interview skills workshops are events required if pursuing NWLB funds.**

- Visit the Transitional Self-Help Center website:

www.transitionselfhelpcenter.com

- **Worker Orientation Meetings:**

Where: Local 730 union hall, 3852 Buchanan Avenue

When: April 29, 10:00 a.m., 12:30 p.m., 3:30 p.m.

Who: All GRMP employees (hourly, salaried, working, laid off)

Around Grand Rapids

Shoe Store Hours

The GRMP Shoe Store will be open next on Friday, April 17, from 11:00 a.m. to 4:00 p.m.

Fall Envelope:

The “fall envelope” is an area extending the arc around all sides of the material container.

The fall envelope is at least equal to the distance from the floor to the top of the load.

Although our lift truck drivers are trained and skilled, there is always a potential risk of falling stock during decking and undocking of material as the result of container / equipment failure or operator error.

- Pedestrians should not enter the fall envelope of stock
- Respect the Orange Crush Zones
- Be aware of lift truck movement in the aisles



Farewell from GRMP Retiree:

I started my tool & die apprenticeship in 1983 and transferred to machines in 1987. I'm grateful for the benefits I've enjoyed from GM and the union. After retiring from here, I plan to work a couple of more years and then transition into a more permanent retirement, which will include rebuilding and cruising in my '72 Chevelle, spending more time with my wife, family and grandchildren, traveling, camping, and fishing. It has been great working with friends and coworkers here at GM. I wish you all the best of luck and God bless.

--Dale Peterson, TDO

Going Above and Beyond

Two employees (let's call them General and Motors) were both up for a promotion for a new job. Both employees seemed qualified and had the same amount of time with the company and seemed equal in every aspect.

General got the promotion, which upset Motors. When Motors asked his boss why he didn't get the job, the boss told him to go to the farmers market down the street and see if anybody was selling oranges. It seemed like an odd request, but Motors went to the market and returned and told the boss that there was a man selling oranges.

The boss then summoned General into the office and asked him to also go to the farmers market and see if anyone was selling oranges. General returned and said there was a man selling oranges and his name was Gus. They were tree-ripened oranges and picked yesterday. They sell for \$3 for a five-pound bag and \$5 for a 10-pound bag. Larger discounts were available for larger orders.

The boss asked Motors if he knew now why he didn't get the promotion.

I am now working for the Tampa Bay Rays baseball team in their merchandising department. They stress not just meeting customer's expectations, but exceeding them. That is what "General" did in the above story.

I learned recently that a fan filled out a customer comment card on me. It said I was "very friendly, knowledgeable and made the game a better experience for him and his son." My bosses love getting these kind of comments and proves if you go out of your way to go above expectations it can make a difference.

--written by GRMP retiree Steve "Big Daddy" Knapp



Summary of Government Findings – March 30, 2009

Areas that require further action according to the Presidential Task Force

Market Share: GM has been losing 0.7% market share per year for the last 30 years. In the current plan, GM has retained too many unprofitable nameplates that tarnish its brands, distract the focus of its management team, demand increasingly scarce marketing dollars and are a lingering drag on consumer perception, market share and margin.

Price: Fundamentally, the lingering consumer perception is that GM makes lower-quality cars (despite meaningful improvements in the last few years), which in turn leads to greater discounting, which harms GM's price realizations and depresses profitability. These lower price points are an important impediment to enhanced GM profitability and need to be reversed over time in order for GM to bring its margins into line with its best-in-class peers.

Brands/dealers: GM has been successfully pruning unprofitable or underperforming dealers for several years. However, its current pace will leave it with too many such dealers for a long period of time while requiring significant closure costs that its competitors will not incur. These underperforming dealers create a drag on the overall brand equity of GM and hurt the prospects of the many stronger dealers who could help GM drive incremental sales.

Europe: GM's European operations have experienced negative results for at least the last decade, leaving the Company with high fixed costs and low capacity utilization. The European business is seeking additional capital beyond the funds requested from the Treasury. These funds have not been allocated and thus represent a risk to the viability of GM's current plan.

Product mix and CAFE compliance: GM earns a disproportionate share of its profits from high-margin trucks and SUVs and is thus vulnerable to energy cost-driven shifts in consumer demand. While the Volt holds promise, it is currently projected to be much more expensive than its gasoline-fueled peers and will likely need substantial reductions in manufacturing cost in order to become commercially viable.

Legacy liabilities: Cash costs associated with legacy liabilities grow, reaching approximately \$6 billion per year in 2013 and 2014. To meet this cash outflow, GM needs to sell 900,000 additional cars per year, creating a difficult burden that leaves it fighting to maximize volume rather than return on investment.

Summary of Presidential Task Force findings: Even under the company's optimistic assumptions, the company remains breakeven, at best, thus failing the fundamental test of viability. While the company has made meaningful progress in its turnaround plan over the last few years, the progress has been far too slow, allowing the company to continue to lag the best-in-class competitors. As a result, the President's designee has found that General Motors' plan is not viable as it is currently structured. However, because of GM's scale, franchise and progress to date, we believe that there could be a viable business within GM if the company and its stakeholders engage in a substantially more aggressive restructuring plan.

Next Steps – A Fresh Start to Implement Aggressive Restructurings

Protection of consumer warranties: The Administration is launching an innovative new program that will provide government-funded protection for warranties issued by participating domestic auto manufacturers. The program will be available for all new warranties on new vehicles purchased from participating auto manufacturers during the period in which those manufacturers are restructuring.

Working capital. The Administration will provide GM with working capital for 60 days to develop a more aggressive restructuring plan and a credible strategy to implement such a plan.

Structured bankruptcy. Their best chance at success may well require using the bankruptcy code in a quick and surgical way. Unlike a liquidation, where a company is broken up and sold off, or a conventional bankruptcy, where a company can get mired in litigation for several years, a structured bankruptcy process – if needed here – would be a tool to make it easier for GM and Chrysler to clear away old liabilities so they can get on a path to success while they keep making cars and providing jobs in our economy.