

# Beyond Grand Rapids

## The more you pay, the more you panic

The more you pay for gasoline, it seems, the more you're likely to panic and rush out looking for some quick fix. Until prices hit around \$3 a gallon, there was virtually no impact on consumer buying decisions, a study finds. But suddenly, at \$3.25, buyers started thinking about fuel-efficient alternatives.

Among "new car intenders," those getting close to making a purchase, one out of five said \$3.25 gas would have them buy a higher-mileage vehicle immediately, while nearly one in three would buy something more fuel-efficient "eventually." With many experts predicting gas will hit \$4.50, the impact is far more dramatic. More than three in four would buy a high-mileage model immediately, and more than four in five would switch eventually.

A full 63% of the general American motoring public say \$4.50 gas will lead them to drive "somewhat less," while 53% will drive "significantly less."

Source: *blogs.thecarconnection.com* – June 18, 2008

## Flex manufacturing lets Honda produce fuel-efficient cars

At a time when rivals are struggling to cope with slumping demand and shifting tastes, Honda is thriving. Its fuel-efficient lineup that highlights small and midsize cars is well-suited to high fuel prices. And with consumer tastes changing quickly, Honda's flexible manufacturing system is perhaps best equipped to go with the flow.

So while industry-wide sales have fallen 8.4% so far this year, Honda's U.S. sales are up 4.8%. Since 1998, Honda has invested \$5.02 billion to increase production capacity and open new automotive plants in the United States.

While other automakers cut jobs and shifts, Honda struggles to keep up with demand. That's especially true for the hot-selling Civic. When the year began, Honda planned to produce and sell 30,000 to 35,000 Civics per month. In May, Honda sold 53,299.

In October, Honda is to begin building Civics at a new plant in Indiana. That plant will eventually produce 200,000 Civics annually. Honda is also moving production of its Ridgeline pickup to Alabama in early 2009 so it can boost Civic production in Ontario. By then, Honda expects to be capable of delivering 50,000 Civics each month.

Source – *Detroit Free Press* – June 20, 2008

## Domestic automakers still have larger presence

According to [www.levelfieldinstitute.org](http://www.levelfieldinstitute.org), GM employs more than all 16 foreign automakers combined. Ford operates nearly as many assembly lines as Toyota, Honda, Nissan and Hyundai combined.

## GM sales in China set new record

GM sales in China in the first half of this year set a new record and were 12.5% ahead of 2007 levels. The Buick Excelle is the top-selling midsize vehicle in the country. The Chevrolet brand is showing good growth in China, up nearly 35%. GM has started selling the new Buick LaCrosse Eco-hybrid in China this month and the new Chevrolet Aveo 1.2 will debut in the second half of the year and could boost sales even more.

## Malibu leader in highway fuel economy for midsize car segment

GM continues to improve fuel economy in critical car segments. The new 2008 Chevrolet Malibu (L4 6-speed) is the outright leader in highway fuel economy (Midsize car segment) at 32 mpg, and is positioned among the segment leaders in combined fuel economy:

	City/Hwy	Combined
Malibu L4	22/32 mpg	25 mpg
Accord L4	21/31 mpg	24 mpg
Camry L4	21/31 mpg	25 mpg
Altima L4	23/31 mpg	26 mpg

## GM sets sales record in Europe

GM set a sales record in Europe in the first six months of the year with more than 1.16 million units sold. That's up about 3% from last year's record. Chevrolet showed the biggest increase with a 24% jump from last year. While the older markets of Western Europe have struggled in the first half, the emerging markets in Eastern Europe are exploding for GM, with volume up 58% from just a year ago. That outpaces the industry's 35% growth rate. In Russia, GM sales overall are up 60%, with Opel sales up 100%, Saab up 81%, Cadillac up 51%, and Chevrolet up 49%.



# 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.

## Guidelines for Emergency Vacation Requests

In July we continue to have a high number of 1-800 call-ins (40-60 per week), a number that was set up for emergencies only. Because of this, perhaps it's time for a reminder about the process for calling in to get "emergency" vacation time.

Everyone is reminded that the "rule of thumb" regarding time off from work is that it should be scheduled in advance. "Rule of thumb," which is the preferred method, may be defined as meaning that an employee should have an approved vacation slip prior to leaving work on the shift preceding the absence. Employees need to submit a written vacation request slip in a timely manner to management, and in turn, management needs to get the response back to the employee in a timely fashion.

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-- Nick Kassanos, assistant plant manager

With increased emphasis on vacation approval before the fact, a hot topic of conversation has become how to receive vacation (VP), if available, when something arises between the end of your shift one day and your next scheduled day that causes you to determine you will not be at work that next shift.

In the past, employees were instructed to contact their supervisor or department to inquire if vacation slots were available. Due to inconsistencies in this method, guidelines for an emergency vacation call-in request have been

established with input from the joint parties.

Now, if a circumstance occurs in your personal life that prohibits you from being at work on your next scheduled shift, the following process may be used to request an emergency vacation day (VP), if available:



- 1) Due to an emergency situation, the employee makes the decision to not be at work on his or her next scheduled shift.
- 2) The employee calls in at least one hour before the start of his or her shift using the General Motors Call-In System (1-800-222-8889).
- 3) The employee selects reason code #7 using the GM Call-In System. Please note that the interactive voice response system will state that reason code #7 is for personal time off. At the Grand Rapids Metal Plant only, reason code #7 means "Emergency Vacation Request" (if available).
- 4) The employee enters the next work day as his or her return to work date in the GM Call-In System. Because this process allows you to request one day off, your return to work date will be the next scheduled day.
- 5) The employee should note the sequence number provided by the GM Call-In System. An emergency vacation request will be processed in accordance with local practice, with the time of the call-in documented by the sequence number.
- 6) The disposition of the Emergency Vacation Request will be communicated to the employee upon his or her return to work.

Contact Gary Evey (616-246-3132) or Rick O'Rourke (616-246-3124 - UAW). Fax 616-246-3150.  
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E-mail: [gary.d.vey@gm.com](mailto:gary.d.vey@gm.com), or [rick.orourke@gm.com](mailto:rick.orourke@gm.com)

**Reminder: Employees must now enter their GMIN instead of their SSN when using the Absentee Call-in System to report absences. Please see page 3 for more.**

## Why GM Needs a Quality Culture

It's great that GM has improved so much in the recent J.D. Power Initial Quality Survey, but it's critical to work relentlessly on improving our quality — not just for the short-term, but for the long term as well.

The question everyone asks when they know they are keeping their vehicles for 5-10 years is: "How many times will I have to take this vehicle in for repair?"

Read the May 12 *Automotive News* article below and see how one person's opinion of quality can affect other people's decision-making.

### Ford's Challenge: Long-Term Reliability

I bought a new Ford Mustang in December 2004. The 2005 Mustang was a perfect blend of a 1966 Mustang fastback and a 1967 Mustang GTA that I owned and restored in the 1980s. So, when I saw the new Mustang, I had to have one.

Sadly, though, it hasn't been a very good car — not for me and certainly not for Ford. Because of frequent and expensive warranty claims, Ford probably hasn't made a nickel on the car.

After just 30,100 miles, my Mustang is on its third power-steering rack. It's been in the shop three times for an exhaust system rattle in the catalytic converter area. The transmission sometimes doesn't downshift properly. The rear seat belt broke.

I could live with all that stuff. But two weeks ago, the paint started peeling off the hood and now I am soured on Ford products.

Sorry, guys, but you likely won't get any more of my money — not for a long time. I like the new Ford Fiesta, Flex and Escape Hybrid. They look great. Your initial quality scores on the Edge and Fusion are impressive. But most cars look like they'll last when they're new.

The real test of quality — and one Ford is failing by my experience — is long-term reliability. So, like most other consumers, before I buy another new Ford, I am going to have to see proof that your vehicles hold together long after they are paid off, just like Hondas and Toyotas.

This experience has clarified for me why consumers tolerate sense-dulling Toyotas and Hondas. Those cars, though not perfect, usually don't break.

Lately, I've been looking at new cars and testing a few. Several of the new GM vehicles, such as the Saturn Aura and Astra and Chevrolet Malibu, are nothing short of excellent. I realized the other day I am over my angst at GM for killing Oldsmobile, a brand that was near and dear to my family. So maybe it's time to give GM another try — if I can make that leap of faith. *Source - Richard Truett - Automotive News*

**What will you do today to improve the reliability of our stampings or assemblies?**

### Safety Corner

From a strictly measurement perspective, we cannot have more than **13** additional recordable injuries between now and the end of 2008 if we want to meet our Recordable Injury Rate stretch goal of 2.20.



### Workplace Organization

As you can see we've been spending a lot of time organizing and adding visual controls to the workplace. Please continue to practice good housekeeping to sustain what we have put in place. This will help us in keeping slip, trip and fall hazards from occurring. You can also:

1. Warn others about spills and clean them up immediately
2. Pay attention to what's in your path when walking
3. Never carry a load that blocks your vision
4. Shorten your stride on damp surfaces

### Health and Safety Audit This Week

Grand Rapids' 2008 UAW/GM Health and Safety Audit started yesterday, July 28 and continues through tomorrow. Tom Kinman (UAW) and Ca-Sandra Tutt (GM) are directing our annual audit of our safety practices.

In last year's audit, we received two "needs improvement" findings:

- electrical safety: absolute locking out of equipment; Blanking area looping pit access
- vehicle preventative maintenance: using the proper color ESWP gloves; breaker panel labeled; secure substation doors

We also received one "repeat needs improvement":

- lockout procedure: doing our pre-operation check lists *before* operating a piece of mobile equipment; maintaining PM schedules

# Around Grand Rapids

## Absentee Call-in System and Some Payroll Forms Change to Require GMIN

Employees must now enter their GM Identification Number (GMIN) instead of their Social Security Number (SSN) when using the Absentee Call-in System to report absences, as well as when filling out some payroll forms.

Affected payroll forms have changed to require GMIN, and new forms will be available to employees at all locations. Please note: Some forms will continue to request SSN due to government requirements, so check to make sure you provide the correct identification number (GMIN or SSN). You should continue to provide SSN on the forms that

request SSN.

All GM employees should have received a home mailing of their GMIN card in the spring of 2007. If you have misplaced your GMIN

wallet-sized card, you can print a replacement card. Simply go to <http://GMIN.gm.com> for instructions and answers to frequently asked questions. If you require further assistance, please see your supervisor.



### GM Sells Tannewitz Building

On June 26, 2008, General Motors sold the Tannewitz Building and 5.5 acres of property to K&B Property Holding LLC. K&B is affiliated with the Sterling Heights Macomb Group, which is a supplier of sewer pipe and supplies. It's their intent to use the building and property as a distribution center for these supplies. Macomb Group did not comment on how many people will be employed at the facility.

GM acquired the Tannewitz factory and surrounding property in 1986. The site has most recently been used as a training center for the plant.

### UAW-GM QN Suggestion Corner

	06/28/08-07/18/08	YTD
*Awards Paid:	28	683
\$ Paid Out:	\$ 1,105.93	\$172,328.67
Savings to GM:	\$ 1,150.00	\$776,842.45
*Tangible and intangible awards		

### 3rd-Quarter Suggestion Program Focus: Team Cost Suggestions

In the third quarter of 2008, the UAW-GM Quality Network Suggestion Plan focus is on team **cost** suggestions. As you know, the entire corporation needs to cut costs, so your suggestions regarding cost are much needed. At the end of the quarter there will be a drawing. Four team suggestions (three or more people) will each win \$500. The money will be split equally among the team members.

### Diabetes Awareness--August 5 and 6

Do you have diabetes or are you at risk of developing Type 2 diabetes? If you answer "yes" to any of the following questions, then you may be at such risk:

- A woman who has had a baby weighing more than nine pounds at birth
- Have a sister or brother with diabetes
- Have a parent with diabetes
- You are considered overweight or obese
- You are under 65 years of age and get little or no exercise
- If you are older than 45 years of age

So stop by and get your sugar tested and find out more information about diabetes at the following times:

**August 5**  
9:00 a.m. - noon  
1:30 - 5:30 p.m.

**August 6**  
8:00 a.m. - noon  
1:30 - 3:30 p.m.

