

Beyond Grand Rapids

Woodward Dream Cruise “A Century of GM Cruising”

As part of our GMnext celebration, GM will sponsor “A Century of GM Cruising” on Saturday, August 16, as part of the Woodward Dream Cruise festivities in Detroit. The cruise will travel from the GM Renaissance Center in downtown Detroit, up historic Woodward Avenue to join the Dream Cruise.

Employees are asked to be a part of this historic ride. If you have a story to tell about your GM vehicle from any era, send in a one-page description of the vehicle, along with photographs showing at least two and no more than four views of the vehicle. The deadline for your story and photos is Friday, June 20.

If your vehicle is selected for the GM Cruise, you'll be notified no later than Wednesday, July 18. Send your entries either by email to gmhc@gm.com or by mail to:

General Motors Heritage Center
6400 Center Drive
Sterling Heights, MI 48312
c/o “A Century of GM Cruising”

Please include your address, phone number and email address.

May sales down from last May

Compared to a strong May 2007, GM sales were down 30% (28% unadjusted). Truck sales declined 39%. A sales increase in fuel efficient cars and crossover vehicles could not make up for soft truck demand and a decline in fleet deliveries impacted by the American Axle strike. About 15-18,000 sales were lost in May, or will be retimed, because of various work stoppages, including the American Axle strike.

Harbour Report

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\$412 per vehicle for the first nine months of 2007, while GM and Ford lost \$729 and \$1,467, respectively, per vehicle for the full year. This reflects that the Detroit Three still pay more for health care, pensions and sales incentives.

Stamping

Harbour uses a stamping index that weighs several labor and equipment measures to create a composite score of stamping productivity. On that basis, Toyota's Georgetown, Ky., press shop ranked first, followed by Toyota Cambridge, Ont. and Chrysler Belvidere. Of the 10 best stamping plants, Toyota had three; Chrysler and General Motors, two (Silao and Parma, with Grand Rapids placing 11th); and Ford, Hyundai and NUMMI, one each.

“In 2007 Toyota was the best stamper, on balance, in the industry,” said Harbour. “It is not a matter of spending more than competitors. It reflects regular kaizen improvement activities and the flexibility that comes with well coordinated engineering and manufacturing. . . . GM deserves credit for the growing maturity of its Global Manufacturing System.”

Malibu takes first in mid-size car segment in J.D. Power IQS

Last week J.D. Power & Associates released its annual Initial Quality Study (IQS). In this study, GM attained its best PPH (Problems Per 100) performance ever. GM improved 9%, while the industry as a whole improved 6%. The Chevrolet Malibu led the way with a first-place finish (80 PPH) in the mid-size car segment. Here are some GM highlights:

- Four brands (Cadillac, Chevrolet, Pontiac and Buick), representing 82% of our volume, rank above the industry average -- up from zero last year
- GM has a total of 10 vehicles in the top three positions of award-eligible segments, an increase of one over 2007
 - Chevrolet Malibu
 - Chevrolet Silverado Light Duty
 - Chevrolet Tahoe
 - Chevrolet Express
 - Chevrolet Avalanche
 - Pontiac Grand Prix sedan
 - Pontiac Solstice
 - Cadillac DTS
 - Cadillac Escalade
 - GMC Yukon
- Hummer, Cadillac, Pontiac, and Chevrolet show double-digit PPH improvements year-to-year

The J.D. Power IQS is a study based on a 228-question survey designed to provide manufacturers with information to drive product improvement. The study includes both design problems and defects and malfunctions. Participants include purchasers and lessees of 2008 model year vehicles registered between November 2007 and January 2008.



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.

Message from Rick Wagoner

GM Announces New Products, Capacity Adjustments

In recent years we have been focused on several major strategies, including growing our business in emerging markets, leading in advanced propulsion technology and turning around our North American business. From the start of our North American turnaround plan in 2005, I've said that our goal is not just to return GM to profitability — but to structure GM for sustained profitability and growth.

We've been on that track, making good progress, but recent developments on the global oil scene have made it necessary to take additional actions. General economic conditions in the U.S. have changed considerably in recent months. While we remain reasonably constructive on the long-term prospects for the auto industry in the United States, we view the near-term U.S. economic and auto market environment with considerable caution.

These conditions, along with the rapid change in auto industry sales mix, require us to take further actions that will position us for sustainable profitability and growth.

These actions include:

- A new global compact car program for Chevrolet, with production targeted to begin in mid-2010 at the Lordstown, Ohio, plant
- A next generation for the popular Chevy Aveo, scheduled to go on sale in the second half of 2010
- A high-efficiency engine module for the U.S. market, targeted to be produced in Flint
- Funding for production of the Chevy Volt extended-range electric vehicle, with preliminary plans to build the Volt at GM's Detroit-Hamtramck Assembly Plant

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GM Continues Overall Improvement in Annual Harbour Report on Productivity

GM improved overall productivity, despite an 8% production volume decrease last year, according to “The Harbour Report North America 2008.” The Harbour Report measures North American automotive manufacturers' assembly, powertrain and stamping plant productivity.

GM is the only manufacturer to consistently improve year-over-year overall in the history of the annual report. GM's Toledo, Ohio, transmission plant was the most productive transmission plant in North America for the second year in a row. Also, three of GM's assembly plants, five of its engine plants, and two stamping plants were ranked in the top 10 in productivity in their respective categories.

The Detroit Three automakers in 2007 nearly erased the productivity deficit against their Japanese-based competitors, despite declining production and shrinking market share.

The difference among the Big Six from the most to least productive in terms of total manufacturing labor (assembly, stamping, engine and transmission) has dropped to 3.50 hours per vehicle (or about \$260 per vehicle), down from 10.51 hours (or \$790 per vehicle) in 2003.

Profit per Vehicle

Unfortunately, the profitability gap between Detroit-based and Japan-based automakers remains wide. Chrysler, Ford and GM are suffering even more with falling sales of profitable fullsize pickup trucks and SUVs as consumers demand much better fuel economy. Honda and Nissan led the six largest North American automakers, each earning a pretax profit of \$1,641 per vehicle on their North American sales, followed by Toyota at \$922 per vehicle. Chrysler lost

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Wagoner Message

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- Addition of third shifts to the Lordstown and Orion, MI, Assembly Plants, which build hot-selling Chevy and Pontiac cars
- Cessation of production at four plants that build pickups, SUVs and medium-duty trucks:
 - Oshawa Truck Assembly in Canada (likely in 2009)
 - Moraine Assembly in Ohio (end of 2010 model run or sooner if market demand dictates)
 - Janesville Assembly in Wisconsin (end of 2009 or sooner if market demand dictates)
 - Toluca Assembly in Mexico (end of this year)
- A strategic review of the Hummer brand to determine its fit within the GM portfolio

While some of the actions, especially the capacity reductions, are very difficult, they are necessary to adjust to changing market and economic conditions and to keep GM's U.S. turnaround on track and moving forward.

Our progress so far has positioned GM to proactively and aggressively address new market and economic challenges, and that's exactly what we are doing today. Thanks for your continued hard work and support.

-- Rick

Blood Drive Results

Thank you to everyone who participated in Grand Rapids Metal Plant's 127th blood drive held on May 14 and 15. During those two days, 97 employees signed in and attempted to give blood and 89 pints were actually drawn. We had two first-time donors.

Please know that **each donated pint of blood can help 3 or 4 people!** On behalf of the people who need blood in our community, thank you to everyone who took part in the drive.

The following employees hit a significant gallon mark with their donation:

| Name | Department | Gallons |
|-----------------|-------------|---------|
| Peter Ancona | Press Room | 10 |
| Everett Stewart | TDO | 8 |
| Pete Semashko | TDO | 8 |
| George Rusco | TDO | 8 |
| Tim Stein | TDO | 7 |
| Mike Cook | Maintenance | 5 |



Safety Corner

From a strictly measurement perspective, we cannot have more than **17** additional recordable injuries between now and the end of 2008 if we want to meet our Recordable Injury Rate stretch goal of 2.20.

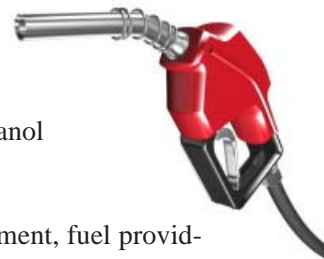


PPE

Fifty-five gallon drums are not to be used to store dirty or clean PPE. These type of containers were eliminated a couple of years ago due to ergonomic concerns.

Ethanol Fuel Facts

- In 2007, the production and use of ethanol in the U.S. reduced oil imports by 228 million barrels, saving \$16.5 billion from being sent to foreign countries. (Source: Renewable Fuels Association; LECG, LLC)
- There are more than 1,563 E85 ethanol fueling stations in the U.S. (Source: National Ethanol Vehicle Coalition)
- Working with government, fuel providers and fuel retailers, GM has helped open more than 300 E85 fueling pumps at stations in 15 states and the District of Columbia since 2005.



Around Grand Rapids

Service Awards

Congratulations to the following employees who have recently celebrated a milestone in their years of service to General Motors and this plant.

40 Years of Credited Service:

- **Tom Gordon** TDO
- **Randy Kuiper** Engineering

35 Years of Credited Service:

- **Mike Yorton** Press Room
- **Jim Asposito** Material Handling

30 Years of Credited Service:

- **Howard Quinn** Press Room
- **Albert Zamarripa** TDO
- **John Blaauw** TDO
- **William Balk** TDO
- **Norman Saagman** Maintenance
- **Fred VanVleck** Maintenance
- **Daniel Hafner** Material Handling
- **Robert Jordan** Material Handling
- **Dave Jones** Financial
- **Mike Rinard** Welder Maintenance
- **Mark Spencer** WFG
- **Scott DeVries** WFG
- **Jim Rowland** Press Room
- **Hassan Kais** Tech Support
- **Robert Meekhof** Welder Maintenance

25 Years of Credited Service:

- **Germaine Thompson, Jr.** Press Room
- **Steven Koperski** TDO
- **Mike Vincent** TDO
- **Daryl Shortz** TDO
- **Tom Amante** Maintenance
- **Kathy VanderSloot** Financial
- **Fred Odren** Tech Support
- **Todd Bassett** Tech Support
- **Ken Rowe** Metal Assembly

Help is Here

If you need a referral to a counselor or have questions about your mental health insurance, please call your EAP (Employee Assistance Program) representative **Angie VanArnam** at 246-3151.

UAW-GM QN Suggestion Corner

Supervisor Promotion

In a new program to help reduce our suggestion processing time, two supervisors each received \$75 for processing the most suggestions in April: **Dale Metzner** and **Gary Cooper**.

Our year-to-date suggestion participation rate is 76%.

Tips and Tools to Manage Stress

Stop by to see Robyn outside the cafeteria for information on stress. Also she can check your blood pressure to see if it's any different with all of the stressful events going on in the past several months.



June 11, 2008

8:30 a.m. – noon

1:30 p.m. – 5:30 p.m.

June 12, 2008

9:00 a.m. – noon

1:30 p.m. – 3:30 p.m.

If you have any questions please contact Robyn at (517) 410-6607.

From the Child Care Office

Local West Michigan Eldercare Resources and Programs to help Caregivers:

- Area Agency on Aging www.aaawm.org 888/456-5664
- Caregiver Resource Network www.caregiverresource.net Same phone number as Area Agency on Aging
- West Michigan Caregivers Alliance www.wmichcare.com, 616/235-8501
- Gerontology Network, 616/456-6135