

Beyond Grand Rapids

Nissan and Chrysler team up

Nissan said it will make a new small car designed by Chrysler and Chrysler will make a full-size pickup truck designed by Nissan. Both products will be sold in North America, and the new Chrysler subcompact will also be sold in Europe and other global markets starting in 2010.

The new Chrysler small car will be made at Nissan's Oppama plant in Japan. Chrysler will make the pickup truck at its plant in Saltillo, Mexico, and it will go on sale in 2011.

Source: The Associated Press, April 15, 2008

Diesel still a popular option

About 20% of the vehicles in U.S. could run on diesel fuels by the end of the next decade, a panel of auto executives said at the SAE 2008 World Congress. Panelists also expected hybrid technologies to be in about 10% of vehicles by 2020, as consumers' thirst for fuel-sipping products continues.

Hybrids and diesel

Magna International Inc. co-CEO Don Walker suggested there could be as many as 765,000 hybrids on U.S. roads by 2013, though he expects diesels and other technologies to ultimately win out with consumers. Last year, 338,851 hybrids were sold in the U.S., up 34.5% from 251,870 in 2006.

Walker said a key component to the auto industry's response to the green market and its regulatory demands is the increased use of global platforms.

Source: Automotive News, April 14, 2008

Buick sales

A quick snapshot of what used to be fertile ground for Buick reveals the depth of the sales problem. Northeast Illinois and northwest Indiana for decades had been a gold mine for General Motors. The Chicago area was one of the biggest retail markets for Pontiac, Oldsmobile and Buick.

But as GM stumbled, sales of Buick, Olds and Pontiac fell — even in the heartland Chicago area market. The nearly five dozen Buick dealers in northeast Illinois and northwest Indiana combined sold about 400 Buicks retail in March. That's about seven vehicles per dealer. That is an area in which some Buick dealers once counted retail sales of more than 150 cars a month.

Buick's U.S. sales totaled 404,612 in 2000. Last year, Buick sold 185,791 vehicles across the United States.

The booming China market and Buick's promising

future there are the sole reasons for the brand's U.S. existence today. Last year, 332,115 Buick vehicles were sold in China, a 9.2% increase over the previous year.

Source: Automotive News, April 14, 2008

GM brand strategy

General Motors, which has long struggled to juggle eight brands ranging from mass market Chevrolet to high-end Hummer, announced plans to streamline its lineups in a move to simplify the organization and create a more focused sales and marketing strategy.

Under the strategy, instead of eight separately run brands, GM will have four sales channels each, headed up by a general manager. Saturn and Chevrolet will each have their own channel. There will be a channel for the premium brands and one for Buick, Pontiac and GMC combined.

Having a large number of brands in the past has forced GM to hang on to overlapping or slow-selling products, along with the bureaucracy of managing each one. But, as GM discovered when it axed Oldsmobile in 2000, eliminating an entire lineup is dauntingly costly because of the expense involved in buying out dealers.

In recent years, GM has worked to align its brands without eliminating any, an effort most visible in the consolidation of hundreds of stand-alone dealers. About half of all Hummer and Saab dealers already share a roof with a Cadillac store. And about 80% of Buick, Pontiac and GMC dealers have consolidated over the years.

Source: Detroit News, April 17, 2008

Ford growth in Russia

Ford will add 1,500 workers at a Russian factory to increase production in that country by almost 75%. Ford, the world's third-largest carmaker, plans to boost capacity at the Vsevolozhsk plant near St. Petersburg to 125,000 vehicles next year. The plant now employs 2,074 people.

The company has cut jobs and closed plants in North America, the main source of \$15.3 billion in losses the past two years. About 33,600 U.S. factory workers left the company through buyouts and early retirement offers made in 2006.

Foreign manufacturers have moved production to Russia to benefit from cheaper labor and tap Europe's fastest-growing market. Russia will surpass Germany within two years to become the continent's biggest auto market. Renault, General Motors, Toyota, Volkswagen, and Hyundai are among carmakers that have started production in Russia or are building plants.

Source: Bloomberg, April 21, 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.

GM to Reduce Full-Size Truck Production

GM announced last week the elimination of one shift of production at three full-size pickup truck assembly plants (Pontiac, Flint, and Oshawa) and one full-size SUV assembly plant (Janesville). This decision was made to bring production capacity more in line with market demand. Under this plan, about 88,000 units of full-size pickup and 50,000 units of full-size SUV production will be removed from GM's North American production capacity for the remainder of the 2008 calendar year.

Based on current plans, the shift reductions will be effective on the following dates:

- **Flint Assembly** (Heavy Duty Chevrolet Silverado and GMC Sierra) – July 14
- **Janesville** (Chevrolet Tahoe and Suburban, GMC Yukon, Yukon XL) – July 14
- **Pontiac Assembly** (Chevrolet Silverado, GMC Sierra) – July 14
- **Oshawa Truck** (Chevrolet Silverado and GMC Sierra) – September 8

The full-size pickup truck and full-size SUV segments have softened for the entire industry – down 15% and 26%, respectively, through the first quarter of 2008. Nonetheless, GM remains the segment leader in both instances, with nearly 40% share of full-size trucks and more than 63% share in the full-size SUV market.

“With rising fuel prices, a softening economy, and a downward trend on current and future market demand for full-size trucks, a significant adjustment was needed to align our production with market realities,” said Troy Clarke, president GM North America. “This is a difficult move, but we remain committed to retaining and growing our leadership position in the full-size truck market.”

Clarke noted that with the market shifting toward cars and crossovers, GM is seeing strong sales of the new Chevrolet Malibu, Cadillac CTS, Chevrolet Cobalt, Pontiac G6, Chevrolet Impala, Buick Enclave and GMC Acadia. He added that the company is continuing to explore options to increase car and crossover production, but there are no changes to car production at this time.

The full-size truck production cuts will result in lower staffing requirements at all four plants, and those details will be worked out over the next several weeks with the UAW and CAW.

GM VP Urges Industry and Government to Pick Up the Pace on Hydrogen Fueling

Renewable biofuels, electricity, and hydrogen are seen as the most promising alternative energy carriers for automobiles. GM is working hard and fast on all of these fronts to develop and implement meaningful technology solutions that provide customers with a range of choices from “gas-friendly to gas-free” vehicles.

Larry Burns, GM's vice president of research & development and strategic planning, called on the energy industry and government to step up and help automakers make volume production of fuel cell-electric vehicles a reality by opening more hydrogen fueling stations.



“The automobile industry has reached a critical juncture in our journey to realize the full potential of hydrogen fuel cell-electric vehicles. While we have made impressive progress, we have now reached a point where the energy industry and government must pick up their pace so we can continue to advance in a timely manner,” said Burns.

Identifying Pedestrian Crosswalks

Two of the pedestrian crossings on the main aisle have been identified with orange “stick” cones attached to the floor at either end of the designated green line crossing. Signs have also been hung over a few of the pedestrian crossings. This is being tried in order to create a better visual identification for the forklift drivers to indicate where pedestrians will be crossing the mobile equipment aisle ways. More importantly; these visual controls are telling pedestrians this is the safest place to cross mobile equipment aisles. The Safety Department will be randomly surveying a few employees to get their opinions on these two visual controls.



Safety Corner

From a strictly measurement perspective, we cannot have more than **18** additional recordable injuries between now and the end of 2008 if we want to meet our Recordable Injury Rate stretch goal of 2.20.



Hierarchy of Health & Safety Controls

The April 23 recordable incident review that was held in the basement below the BB1 scrap chute was an excellent example of how to increase the prevention of injuries in accordance with the Hierarchy of Health & Safety Controls.

Our team member was injured while trying to clear a scrap chute while using a long, cumbersome tool, reaching into the scrap chute to dislodge the material. Rather than discuss issues around the type of tool being used or the team member's actions, the discussion focused on how to eliminate our team member from even being put in such a position. In other words, eliminating the problem was about finding out why the scrap chute was clogged. How often does this happen in the course of a shift or a week? Is it specific to a particular part that is being run in the press? My congratulations to the team!

-- Nick Kassanos, assistant plant manager

Know Safety, No Accidents

	<u>2007</u>	<u>Through 5/02/08</u>
First-aid Injuries	454	124
Recordable Injuries	65	17
Lost Work Days	6	2
Near Misses Reported	232	142

Around Grand Rapids

Fitness quiz: Test your fitness awareness

Think you know the best way to get in shape? Know why physical activity is so important? Or what happens if you stop exercising? Find out the answers to these questions and more. See how much you really know about fitness!

Choose true or false on the questions below and send your answers to **Torie Carlson** in Personnel by Friday, May 16, to become eligible to win a one-month pass to a local YMCA.

- If you don't need to lose weight, there's no need to be physically active.
True _____ False _____
- At least 60 minutes of physical activity is recommended every day.
True _____ False _____
- There are four primary elements of fitness: aerobic fitness, muscular fitness, stretching and core stability.
True _____ False _____
- If you're physically active, you can eat whatever you want.
True _____ False _____
- Regular physical activity can reduce the need for some types of medication.
True _____ False _____
- You can stop thinking about physical activity at age 65.
True _____ False _____
- Full steam ahead is the best way to start an exercise program.
True _____ False _____
- If you have no energy for physical activity, it's better to rest instead.
True _____ False _____
- To maintain the benefits of physical activity, you need to keep it up.
True _____ False _____

UAW-GM QN Suggestion Corner

	<u>04/08/08-04/11/08</u>	<u>YTD</u>
*Awards Paid:	15	323
\$ Paid Out:	\$1,619.16	\$145,299.38
Savings to GM:	\$ 0.00	\$739,389.70
Tangible Awards Paid Last Week:	<ul style="list-style-type: none"> • none 	
*Tangible and intangible awards		

Buick Open Tickets

Discounted tickets to see the 50th anniversary of the Buick Open are now available to all GM employees. The tournament will take place at Warwick Hills Golf & Country Club in Grand Blanc, June 23-29. Tickets are available for just \$20 each, \$15 per ticket less than the regular gate price. There's a limit of four per person and tickets must be purchased by June 20. Call 800-878-OPEN and follow the prompts. The pass code is GME08. You can also log on to www.ticketmaster.com and type Buick open in the search area at the top left of the home page. Choose GM Employee ticket offer and enter the password GME08.

GM-GMS Calibration Rescheduled

The Grand Rapids Metal Plant GMS calibration has been changed from the week of May 12 to the week of June 23.

Blood Drive Next Week

Grand Rapids Metal Plant will be sponsoring our **127th** quarterly **BLOOD DRIVE** in Conference Rooms 4/4A on the following dates and times:

Wednesday, MAY 14, 2008

.. **6:00 P.M. to 1:30 A.M.**

Thursday, MAY 15, 2008

.. **9:00 A.M. to 3:00 P.M.**

If you'd like to participate in this program, please contact your supervisor and schedule a time that you can give. We encourage your participation in this worthwhile program. Lifesaving blood and blood products cannot be artificially manufactured, so it's important that we all try to give the "best that's in us." Each donation can save 3-4 lives in our community!