

Ford Credit's Third Quarter Earnings Rise To \$497 Million

Ford Motor Credit Company reported a net income of \$497 million in the third quarter of 2010, an increase of \$70 million from earnings of \$427 million a year earlier.

On a pre-tax basis, Ford Credit earned \$766 million in the third quarter and \$2.5 billion in the first nine months of 2010, compared with \$677 million and \$1.3 billion, respectively, in the previous year.

The increase in pre-tax earnings primarily reflected a lower provision for credit losses and lower depreciation expense for leased vehicles, offset partially by lower volume and the non-recurrence of net gains related to unhedged currency exposure primarily from cross-border intercompany lending.

"The quality of our portfolio remains high and, linked with our solid business fundamentals, we continue to support Ford Motor Company's business with strong profits and distributions," Ford Credit Chairman and CEO Mike Bannister said.

On Sept. 30, 2010, managed leverage was 6.2 to 1. Ford Credit distributed \$1 billion to its parent in the third quarter of 2010 and expects to distribute \$1 billion in the fourth quarter for a total of \$2.5 billion of distributions in 2010.

Ford Credit expects profits in the fourth quarter to be lower compared with recent quarters because of smaller expected improvements in the provision for credit losses and depreciation expense for leased vehicles.



Ford Fusion sales set an October record with an increase of 29 percent over the same month last year. Year-to-date Ford sales overall were up 21 percent from 2009.

Ford Design Chief J Mays Will Lecture at UD Mercy Symposium

Ford design chief J Mays will be giving a lecture about "Innovation and Design" at the University of Detroit Mercy on Nov. 18.

The talk is part of the 2010 Ford Innovation Symposium at UDM in Detroit.

The Symposium is scheduled to begin at 6 p.m. in Room LS-113 in the Life Science Building on UDM's McNichols campus.

Attendees should RSVP to Nicole Oliver at UD Mercy by Nov. 15 at 313-993-1218.

Mays is currently group vice president, Design, and chief creative officer, Ford Motor Co.

He is responsible for shaping the global design direction of Ford Motor Co.'s Ford, Lincoln and Mercury brands and is working to create long-range strategic design visions that support the worldwide "One Ford" business model – to develop products customers want and value.

Mays joined Ford in 1997 as vice president, Design, and was named group vice presi-



J Mays

dent in 2003. In 2005, he took on the expanded role of group vice president and chief creative officer.

During his career at Ford, Mays has simultaneously managed and developed the design language of multiple vehicle brands. He has also successfully led the effort to develop a single, global Ford

CONTINUED ON PAGE 3

Ford Sales Up 16 Percent

By Stefanie Carano
Staff Reporter

Ford Motor Co. triumphed once again in the month of October, reporting an increase of 19 percent in overall sales.

Year-to-date Ford sales were up 21 percent from 2009.

"I think the bottom line is that we continue to see steady improvement in consumer demand, albeit at a modest pace," said George Pipas, Ford sales analyst.

He said sales rates have been improving from Feb. 4, 2009, through Feb. 3, 2010, with each quarter moving up in small increments.

"And I think October's results suggest that that trend would well continue in the fourth quarter. We're certainly off to a good start," Pipas said. "It's a welcome data point as we close in on the end of 2010 and look forward

to 2011."

Pipas said the company appears to have broken the glass ceiling, at least for one month.

"For quite some time, we've been below 12 million on the sales rates, except for August 2009 when clunkers boosted the sales rate to 14 million. Were it not for that, we have not seen a 12 million sales rate since September 2008," he said.

Pipas said it was another solid month for Ford, which saw increases in sales across its vehicle lineup.

"Cars were up 20 percent, utilities were up 9, trucks were up 25 percent, and you can certainly see that in the year-to-date figures as well," he said.

Pipas said it was one of the best sales months of the year for F-series trucks, up 24 percent, and there was an October sales record for the Ford

Fusion, up 29 percent.

"It was the best month so far for the Fiesta and impressive starts to the 2011 model Ford Edge and Lincoln MKX," he said.

"When we started to reinvent Ford a few years ago," said Ken Czubay, Ford vice president of U.S. marketing, sales and service, "one of our objectives was to be profitable at a lower volume and changed mix.

"Of course, we didn't know the volume would go as low as it did but, as you can see from the results of our efforts and last week's financial results and this month's sales report, we have accomplished that mission.

"So, balancing the portfolio has been very important. Even during our annual truck month promotion, which ended last month, we registered a strong performance in cars and utilities."

Focus Global Test Drive Set for Europe

In the Ford Focus Global Test Drive, everyone wins.

As Ford Focus engineers get rapid feedback from interested customers and prospects, drivers get a first look and some thrilling international wheel time in Ford's breakthrough new Focus before it goes on sale, friends get to come along for the ride of a lifetime, and deserving charities will benefit, big-time.

The Focus Global Test Drive will be held in early 2011 in Southern Europe – the location will be confirmed next month.

Driving exercises will be created to give participants an early, behind-the-scenes

look at the new Ford Focus, and will allow them to enjoy a few high-speed, high-adventure activities. Participants will be free to document and share their experiences.

Beginning last week, via the Focus Facebook page, friends and fans from around the world are invited to submit video applications explaining why they should be included in the first-ever Focus Global Test Drive.

The application process invites prospective test drivers to "start more than a car" by providing the market equivalent of \$10,000 for a charity they are passionate about, under the categories of hunger,

education and environment/sustainability.

Details of the Global Test Drive application are now available on the "Global Drive" tab at <http://facebook.com/fordfocus>.

From candidates around the world, 100 participants will be selected to travel to Europe to be among the first external test drivers of Ford's all-new, next-generation Focus.

Focus Global Test Drive participants will be selected based on a range of criteria that includes their individual creative content, social networking vibrancy and volume of votes they receive.



The Chevrolet Camaro, which sold almost 100,000 units in its first year back on the market across 2009-2010, was given the nod as Hottest Car of the SEMA show in Las Vegas last week.



Ford F-Series Trucks were named the Hottest Truck at the SEMA show floor in Las Vegas last week. The F-Series has a growing number of aftermarket modification supplier partners.



Jeep Wrangler remains one of Chrysler's most accessible vehicles for the tuner crowd to adapt. It was named the Hottest 4x4 SUV in a new set of car awards given out at the SEMA aftermarket show.

Big Three Entries Sweep SEMA's 'Hot Vehicles' Categories

By Gerald Scott
Staff Reporter

There was quite a collective feather in the caps of the Big Three automakers at the SEMA aftermarket show in Las Vegas last week.

That's because products from GM, Ford and Chrysler actually swept the newly awarded "Hottest Vehicle" categories at the show.

For the first time ever, SEMA gave out awards for Hottest Car, Hottest Truck and Hottest 4x4 SUV. And the Big Three cleaned up in each category.

The inaugural SEMA award was presented to Chevrolet Camaro for the Hottest Car, the Ford F-Series for the Hottest Truck and the Jeep Wrangler for the Hottest 4x4 SUV.

SEMA officials pointed out that, for many consumers, the "aftermarket potential" of a given car can influence the purchase decision in the first place. That is to say, the ability to accessorize a vehicle impacts the decision as to which vehicle to purchase.

And the new SEMA award identifies the most accessory-friendly new models at the one car show that's famous for having endlessly "tricked-out" versions of mainstream car and truck models.

Show organizers said that they relied on the trend-set-

ting influence of exhibitors to determine the winners.

"A booth space is a ballot, and the models these exhibitors have selected represent their vote," said Chris Kersting, SEMA show president and CEO.

According to SEMA, exhibitors manufacture thousands of products that improve performance, convenience, appearance, comfort and personalization.

While products are avail-

able for every make and model vehicle, exhibitors are investing more into the Chevrolet Camaro, in the case of the 2010 Hottest Car winner, than any other such vehicle in its category.

"More than any other venue, the cars that exhibitors and attendees bring to SEMA embody the passion and excitement of car enthusiasts everywhere," said John Fitzpatrick, Chevrolet Performance Cars marketing manager.

"Based on the sheer number of Camaros displayed on the floor, and parked in the adjacent lots, the Camaro is clearly the hottest car of the show."

Indeed, SEMA officials said that it wasn't a given that Big Three entries would sweep the three main vehicle categories simply because most of the major OEMs participate in the show and there are suppliers that effectively gather around the products to sell

their wares to enthusiasts.

But in an era when two of the Big Three are coming off of corporate bankruptcies, the fact that GM, Ford and Chrysler vehicles are perceived as so aftermarket-friendly says plenty about the domestics being more in tune with today's customer.

Chrysler's Mopar parts unit, for example, had 35 modified Chrysler, Dodge, Jeep and Fiat vehicles entered into SEMA this year, showing that

after a couple of lull years for the entire business, perhaps aftermarket accessories are building a little steam of their own on top of new car sales.

Meanwhile, the 2010 SEMA show, which ran Nov. 2-5, featured more than 1,900 exhibiting companies. The Chevrolet Camaro, Ford F-Series and Jeep Wrangler are vehicles that consumers can confidently turn to for unlimited possibilities in personalization, organizers said.



PHOTO: TUSKEGEE UNIVERSITY ARCHIVES

Henry Ford, left, and George Washington Carver were early leaders in the Green movement. Each admired the other, and both were interested in making industrial products from the soil.

Scientist George Washington Carver Comes to Life at Henry Ford Museum

By Gerald Scott
Staff Reporter

The latest big exhibit to open at the Henry Ford Museum offers special insight into one of the great American scientific minds of the 19th and 20th centuries.

"George Washington Carver" opened Nov. 6 and runs through February, 2011.

The exhibit offers great insight into the mind and accomplishments of Carver, of course, but it also connects him to auto pioneer Henry Ford, considering they were contemporaries who knew and admired each other.

Simply put, Carver was one of the great American scien-

tists of the modern era and his legacy continues to earn modern-day reflection and admiration. Like Henry Ford, he was ahead of his time when it came to the practical application of agriculture in our society, particularly in finding new and clever uses for the common peanut or soybeans.

"This exhibit was organized by the Field Museum, the Tuskegee Institute and the National Park Service, but there's a number of artifacts in it that belong to The Henry Ford," said Suzanne Fischer, the museum's associate curator of technology, and who offered a pre-opening tour of the traveling exhibit.

"A typewriter, a microscope

of his and a number of books and pamphlets that he wrote (are on display). It was donated to us by a friend of Carver's."

The exhibit helps illuminate the fact that the modern social trend toward green, recycling, urban agriculture and the like, were interests shared by both Carver and Ford.

"Well, they both admired each other, they were both involved in what we call the chem-erg movement, so they were both interested in making industrial products from the soil – from agricultural products," she said.

"So Henry Ford had admired

CONTINUED ON PAGE 2