



Alan Mulally

Bill Ford Urges College Students To Stay in Michigan and Enjoy Detroit's Technology Revolution

by Stefanie Carano
Staff Reporter
Detroit Auto Scene

Detroit needs to stop losing its best and its brightest to Wall Street, according to Ford Motor Co. Executive Chairman Bill Ford.

Ford spoke Jan. 21 at the University of Michigan's Ross College of Business and said promising minds should be in Detroit, where they have the opportunity to make something real and create wealth, not just siphon it off.

"Most importantly, if you want to make a difference in helping redefine a clean world and a world that we can all be proud of, then this is the place you ought to stay," Ford said. "Stay in Michigan and help us figure all this out. It's going to be really fun."

He said 100 years after Detroit's initial technological revolution, the area is again on the cusp of a revolution driven by technology.

"So, it's my belief that the best and the brightest and the smart money and whatever else you want to call it, are going to be descending upon Michigan and helping really redefine this," he said. "If you're thinking about staying in Michigan, please do. We need you, the region needs you and frankly, our companies need you."

Ford said there's no doubt that the reputation of Detroit and of Michigan affects everyone who lives there.

He said the toughest challenge for the state and the city is getting people to move



PHOTO: STEFANIE CARANO

Bill Ford was a speaker at the recent "Revitalization and Business Conference Focus Detroit" at U of M's Ross School of Business in Ann Arbor.

here because of preconceptions about the area.

"Once we get them here, they love it and once we get them here, they don't want to leave and they want to raise their families here and they realize this is a wonderful community," Ford said. "Getting them here is the hard part because of the image of Detroit."

He said the decline of the state and city's reputation nationally coincides with the decline of manufacturing.

"If you think of the last 20 years, the erosion of manufacturing in this country, the erosion in respect for manufacturing in this country was quite profound," he said. "We

CONTINUED ON PAGE 2

Ford Donates 'Jay Leno Focus Electric' to Museum

LOS ANGELES – You might remember seeing the bright orange Ford Focus Electric prototype running around a track and being driven by your favorite celebrities during the Green Car Challenge on the prime-time "The Jay Leno Show" last year. Now, you'll be able to see the same vehicle permanently plugged in at the Petersen Automotive Museum in Los Angeles.

Today, Ford officially handed the museum the keys to one of two Focus Electric prototypes that were used during the TV show's Green Car Challenge segment.

"This donation signifies Ford's transition from a prototype version of Focus Electric to the real production vehicle," said Matt VanDyke, Ford director of U.S. Marketing and Communications.

"We still believe the Focus Electric prototype can continue to create awareness and excitement for electric vehicles like it did during the Green Car Challenge. The Petersen Automotive Museum is the perfect place for the car to do that."

Based on the European five-door production Focus ST, the racing prototype was specifically designed for "The Jay Leno Show" and used throughout the 2010 season. Tuned to perform on a race-track, the Focus Electric was outfitted with Recaro racing seats, a full roll cage, five-point racing harness and an

eye-catching Electric Orange paint scheme.

Actress Drew Barrymore was the first celebrity guest to accept the show's racing challenge. Other participants included Steve Carell, Arnold Schwarzenegger, Sheryl Crow, Serena Williams, Rush Limbaugh and more. Dr. Phil McGraw ended up having the fastest lap of all the celebrities to drive the vehicle.

The Focus Electric will now be the featured vehicle in the museum's permanent Alternative Power exhibit. The display highlights vehicles that feature engineering solutions outside of the standard gasoline-fueled internal combustion engine. Some of the other alternative-fuel vehicles in the exhibit include an electric car built in 1897, a wood-burning truck and the 1974 Dutchman – a steam-powered car on loan



The Ford Focus Electric car used for celebrity test drives on "The Jay Leno Show" was recently donated by Ford to the Petersen Automotive Museum in Los Angeles.

Ford Net Income Hits \$6.6 Billion

by Stefanie Carano
Staff Reporter
Detroit Auto Scene

It was a stellar year for Ford Motor Co. and last year's earnings seem to reflect how far the company has come since its restructuring in 2006.

Ford reported a full year net income of \$6.6 billion, an increase of \$3.8 billion over 2009. The amount was reported to be the automaker's highest net income in more than 10 years.

Ford CEO Alan Mulally told the press, "Our 2010 results exceeded our expectations, accelerating our transition from fixing the business fundamentals to delivering profitable growth for all."

Full year 2010 pre-tax operating profit was \$8.3 billion, or \$1.91 per share, an increase of \$8.26 billion, or \$1.90 per

share, from a year ago.

The increase is attributed to a profit in each automotive segment led by a strong performance in North America, reflecting primarily favorable volume and mix, as well as favorable net pricing.

Ford Credit's strong profit also contributed significantly to Ford's full year performance.

Ford reduced its debt by \$14.5 billion in 2010, a 43 percent reduction. The automaker finished the year with automotive gross cash exceeding debt by \$1.4 billion.

Ford reported that its fourth quarter actions reduced automotive debt by \$7.3 billion, including \$2.5 billion of newly announced debt reductions paid down by Ford's revolving credit facility and term loans.

Ford's reported fourth quar-

ter net income was \$190 million, or five cents per share, a decrease of \$696 million, or 20 cents a share, from the fourth quarter of 2009.

These figures include the negative impact of special items of \$1 billion, primarily associated with a previously disclosed \$960 million charge for the completion of debt conversion offers that reduced outstanding automotive debt by more than \$1.9 billion.

Ford earned a pre-tax operating profit of \$1.3 billion, or 30 cents a share, in the fourth quarter, marking the sixth consecutive quarter of pre-tax operating profit. This is a decrease of \$322 million, or 13 cents per share, from the fourth quarter of 2009.

Fourth quarter automotive pre-tax operating profit was \$741 million, a decrease of

\$173 million from a year ago.

Automotive pre-tax operating profit for the full year was \$5.3 billion, an improvement of \$7.2 billion from full year 2009.

Fourth quarter Financial Services pre-tax operating profit was \$552 million, a decrease of \$149 million from a year ago, which includes a pre-tax operating profit of \$572 million for Ford Credit.

Ford North America posted a fourth quarter pre-tax operating profit of \$670 million, a \$59 million increase compared with 2009.

Full year North America pre-tax operating profit was \$5.4 billion, an improvement of more than \$6 billion from a year ago.

South America, Europe and Asia Pacific Africa also reported full year pre-tax operating profits for 2010.

10 Models Off Single Platform Proves Ford Strategy

by Stefanie Carano
Staff Reporter
Detroit Auto Scene

Ford Motor Co. is moving into the future of vehicle development, continuing with its One Ford product plan and developing vehicles customers want, said company executives at the 2011 Global Auto Industry Analysts conference.

Ford Global Vice President of Product Development Derek Kuzak said the difference between a good car and a great car is in attention to detail.

He said both the Explorer and Focus vehicles reflect Ford's product strategy going forward, exhibiting fuel efficiency, fun-to-drive and an unmistakable Ford look and feel, among other attributes.

"This attention to detail, this consistency of approach, delivers a vehicle's personality," Kuzak said.

He said the Focus has unexpected levels of technology, with more technology than its competitive set, as well as more technology than the Toyota Camry.

Kuzak said Ford is honored that the Explorer was chosen for North American Truck of the Year, a vehicle that provides stowage and tier flexibility that SUV customers demand.

He said last year Ford indicated that for every new vehi-

cle, the company will deliver leadership in fuel economy. Kuzak indicated that Ford's 2011 and 2012 model year vehicles now have unsurpassed fuel economy with every new vehicle, delivered by unprecedented powertrain investment.

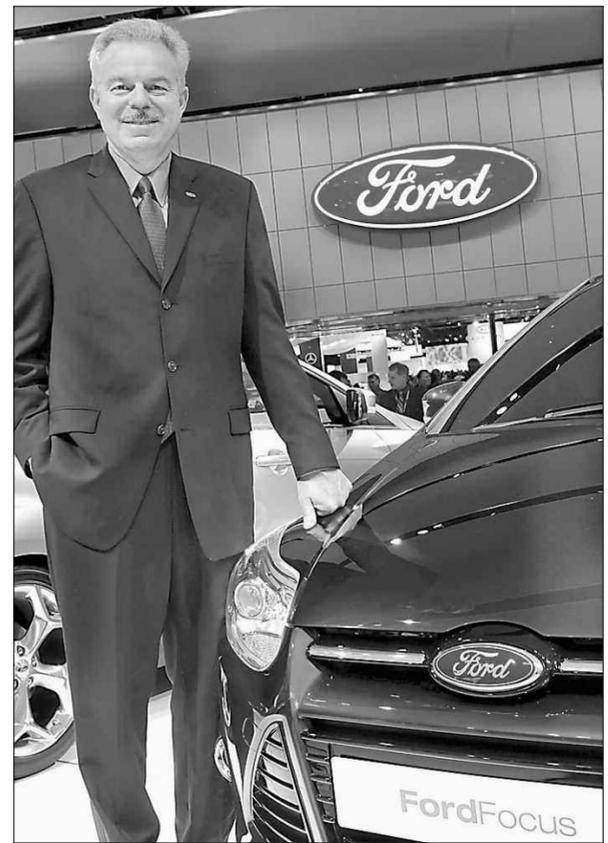
"We've committed to 30 new engines, transmissions (that are) new or significantly upgraded in '09 and '10 delivered," he said. "We're now in the path of 30 new or upgraded transmissions between '11 and '13."

In upcoming products, Ford CEO Alan Mulally said the launch of the Ford Focus Electric (scheduled to go into production in the last quarter of this year) is way more than the launch of a vehicle and is rather the launch of the ecosystem that allows the company to manage the electricity, the charging, peak hours and other factors in operating an electric vehicle.

He said this year the company has shown 10 different "top hats" off the C platform, including the four-door, five-door hatch and wagon version of the Focus, a small SUV (the Vertrek Concept), as well as the hybrid and plug-in hybrid versions of the C-Max and the Focus Electric, a complete strategy, compared with the competition.

It's part of the One Ford

CONTINUED ON PAGE 3



Ford's Derek Kuzak spoke at this year's North American International Auto Show Auto Analysts conference.

Former Ford Design Head Telnack Tells Chuck Jordan Anecdotes At EyesOn Design Charity Function

by Gerald Scott
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U.S. Auto Scene

Retired Ford Design chief Jack Telnack was holding court at the EyesOn Design function at the Detroit auto show earlier this month and it was quite a treat for anybody within earshot.

Telnack, of course, is the now-retired former Design vice president at Ford Motor Co., the father of the Taurus and also the father of the EyesOn Design charity function that benefits the Detroit Institute of Ophthalmology.

The EOD auto show function came a few weeks following the death of retired GM Design Vice President Chuck Jordan – a good friend of Telnack's – so it was inevitable that conversation drifted to include memories of GM's Jordan.

"I first met Chuck very briefly – he won't even remember this, he's about 10 years older than I – he was recruiting out at the Art Center (in Pasadena) with my graduating class, that was the first time I came in contact with Chuck," Telnack recalled.

"He didn't hire me – fortunately – because I always wanted to go to Ford anyways. In that era, it was always Ford-GM-Chrysler and I came from a Ford family, so I wasn't too upset when he didn't hire me, I was hired by Ford right after that anyway. That's when I first met him.

"Then we spent a fair amount of time together judging at different car shows – Amelia Island, Pebble Beach,



PHOTO: GERALD SCOTT

Retired Ford Design VP Jack Telnack.

here at Meadow Brook, shows all around the country and, of course, here at EyesOn Design.

"We got to know each other pretty well from all the car show events, whether it was here or in Geneva or Paris or London or Frankfurt, we'd always gather. Even though we lived in the same town (Detroit), we'd have to meet in Paris to connect.

"The funniest part of it, we'd go to these shows in Europe and we'd be surprised to see somebody (they knew) in the hotel lobby – but who did you expect to see, we're all car guys, Detroit guys."

Ford's Telnack, GM's Jordan and Chrysler's then-vice president of Design, Tom Gale, together helped bring the EyesOn Design enterprise into being

CONTINUED ON PAGE 3