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Ally Financial Continues Payback to U.S. Treasury

By MARTIN CRUTSINGER
AP Economics Writer

WASHINGTON (AP) — The Treasury Department said Wednesday it has sold trust preferred securities the government held in Ally Financial for \$2.7 billion, the latest step in its efforts to recoup the overall costs of the \$700 billion financial bailout.

The department also hopes to get back more taxpayer money through an initial public offering of the former General Motors finance arm.

The government owns most of the company through its holdings of \$5.9 billion of preferred stock and 74 percent of the company's common stock. The public stock offering is expected to occur in the

second half of this year.

Ally Financial received \$17.2 billion in government support during the financial crisis. With the sale of the \$2.7 billion in trust-preferred securities and previous payments of \$2.19 billion in dividends and interest, Ally has returned \$4.89 billion to the government.

The sale of the \$2.7 billion in trust-preferred securities is scheduled to close March 7. A trust-preferred security is an investment that has characteristics of both a stock and a bond.

Ally CEO Michael A. Carpenter said the sale marked a key step in the company's plan to repay U.S. taxpayers in full for the money it received from the government

bailout fund, the Troubled Asset Relief Program.

"We are grateful for the taxpayer's investment in the company during the financial crisis, which enabled Ally to play an integral role in the U.S. auto recovery and ensure that thousands of automotive dealers and millions of consumers had access to credit," Carpenter said in a statement.

Ally makes loans to GM customers and finances dealer inventories. The government first bailed out the company, then known as GMAC Inc., in late 2008 as part of the Bush administration's aid to the auto industry. The Obama administration provided additional funding in May and December 2009.

While the Treasury Depart-

ment has said Ally has made good progress in restructuring its operations, a congressional oversight panel in January criticized Treasury's "hands off" approach toward Ally. The panel noted that Treasury declined to block GM's purchase of Texas-based AmeriCredit even though that financial firm may end up competing against Ally.

Treasury said that with the sale of Ally's trust-preferred securities, the TARP has received repayments and income amounting to about \$280 billion. In President Barack Obama's new budget, released last month, the administration estimated that the final cost of TARP to the taxpayer will be around \$48 billion.

Chrysler Intros 2012 Ram Cargo Van

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Visteon Reports Profits of \$86M For First Qtr.

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Buren Township near Detroit, said in a statement that it finished the year with a global cash balance of \$979 million and total debt of \$561 million.

For the full year, the company reported net income of just over \$1 billion, compared with \$128 million in 2009.

Visteon gave no earnings-per-share figures for 2010 but said it made 98 cents per share in 2009. The 2010 earnings included \$933 million in reorganization gains, the company said.

"Our full-year results significantly improved from last year, reflecting our ongoing operational actions, benefits from our restructuring initiatives and an upswing in global vehicle production volumes," Chairman and CEO Donald Stebbins said in a statement. "We capitalized on sales growth in China and other emerging markets."



2012 Dodge Ram Van

Ford Contest Promotes Green Living

DEARBORN — Whether you're unplugging electronics when not in use, using canvas bags instead of plastic or collecting rain water, Ford wants to know what changes consumers are making to better the environment.

It's all part of Ford's new "Take Charge" contest on its Electrified Vehicle Facebook page, which runs through mid-April.

There are four categories in which users can submit their best eco-friendly action ideas. The winner from each of the four areas will be awarded a Ford electric vehicle experience.

"The contest allows Ford to use social media to connect with our fans and exchange ideas about what they are doing to lower their carbon footprint," said David Finnegan, Focus Electric marketing manager.

"Our electrified vehicles are just one part of Ford's overall sustainability efforts and we want to ensure our fans have a voice in sharing what they are doing as well."

Users will be asked to offer ideas in four areas:

- Repurposer: Ideas focused around recycling;
- Power Miser: Ideas focused on energy conservation
- Gas Sipper: Ideas on fuel-efficient thinking;
- Unconventionalist: Ideas covering everything else eco-friendly

After submitting ideas, users can reach out to their social network on Facebook or Twitter to share their efforts and accumulate votes. A leader board will show the fans who has the most votes, as well as how many of their friends are participating.

Fans can accumulate badges for attaining 10, 50

and 100 votes for their submissions. As a way of showing off their accomplishments, they can share these badges with their social network.

"Even though we're asking Facebook users to share what actions they are taking to help the environment, Ford will take part in the conversation by giving examples of what we're doing too," said Brian McClary, Ford social and emerging media specialist.

"These reminders will help spark people's imaginations on what they can achieve."

For example, the Ford Fusion Hybrid gets 41 mpg, allowing drivers to travel more than 700 miles on a single tank of gas in city traffic; this would be used in the Gas Sipper category.

The use of recycled denim in vehicles fits into the Repurposer area.

GM Hamtramck Plant Earns 'Clean Corporate' Nod

by Gerald Scott
Editor
U.S. Auto Scene

The General Motors Detroit-Hamtramck Assembly Center earned a major environmental award last week, putting it in good company now with a half-dozen other GM facilities that have earned the same prestigious designation.

GM Hamtramck earned membership in the state's Clean Corporate Citizen Program, which is the Michigan Dept. of Natural Resources and Environment's highest such "green" honor.

The C3 Program is a voluntary environmental program that recognizes environmental stewardship at Michigan facilities.

Candidates demonstrate facility-specific environmental management systems; have active pollution prevention initiatives at their facilities, and have a consistent record of compliance with state and federal environmental requirements.

"This is the 7th General Motors facility to earn this Clean Corporate Citizen distinction; that's a wonderful thing. The recent successes with auto sales for General Motors — we're all pleased to see that developing — it's a wonderful thing," said Bryce Feighner, Chief of Office of Pollution, Prevention and Compliance Assistance (OPPCA) for the state of Michigan.

"The fact that at the same time you're incorporating pollution-prevention practices, and at the same time you're developing innovative, environmentally sound products like the Chevrolet Volt, demonstrating again that en-

vironmentally sound practices are not detrimental to economic growth."

The award was presented to GM Hamtramck plant management and UAW leadership in a ceremony in the plant's visitor's lobby on March 8.

GM Hamtramck is an assembly plant that opened on the Detroit-Hamtramck border in 1985. It is located in "Poletown," rather near where Dodge Main used to be. Today it builds the Cadillac DTS, Buick Lucerne and perhaps most famously now, the Chevrolet Volt, which was added to the production schedule late last year.

Teri Quigley, plant manager for the facility, was on hand together with union rep Frank Moultrie of UAW Local 22 to accept the award on behalf of GM Hamtramck.

"The Detroit/Hamtramck Assembly team proudly shows our environmental commitment in everything we do and we are honored to be receiving this award," Quigley said.

"Not only are we building the Green Car of the Year — the all-new Chevrolet Volt with extended range — we are also focusing on initiatives like reducing the plant's energy use and minimizing non-recycled waste."

By working with staff to implement plant-wide pollution prevention projects, the assembly center reduced overall energy use, netting the facility a savings of more than \$4 million.

Also, it reduced the use of chemicals with volatile organic compounds by 38 percent between 2008 and 2009.

Other C-3 program-qualified GM facilities are the GM Powertrain Transmission plant in Warren; the Orion Assembly facility; the Lansing Delta Twp. facility; the Livonia Engine Plant and the Romulus Engine Plant.

The GM Flint Metal Plant is scheduled to join this prestigious list very soon as well.

"Michigan's Clean Corporate Citizen is one of the most longstanding and rigorous programs of its kind in the country," said Feighner.

"It requires a lot of work (for recipients) to develop an effective environmental management system, to develop the various pollution-prevention projects which you are working on. . . just receiving this award says so much about your company and your ethic."



The GM Hamtramck Assembly Center, which makes the Volt, above, recently was awarded a Clean Corporate Citizen program award from the state of Michigan because of its green efforts.



The Buick Regal Turbo has available a six-speed, manual transmission that enables the car to get 32 mpg on the highway.

Six-Speed Tranny Adds To Fun in Buick Regal

DETROIT — Brad and Cathy French of Chicago have always driven cars with manual transmissions, including imports from Audi and BMW. Now the clothing industry sales and marketing reps drive a six-speed manual 2011 Buick Regal Turbo.

For the Frenchs, driving a "stick" is all about fun, fuel-efficiency and being alert in traffic.

"When you look at the Regal Turbo it just screams manual," said Brad French, a fitness and fashion devotee for whom personal appearance factors into vehicle purchase decisions. "A few years ago I would've never considered Buick, but the Regal Turbo is a very sharp-looking car that is a thrill to drive. I can't wait to show it off."

Not only is the six-speed manual Regal Turbo a thrill to drive, it gets an EPA-rated 32 mpg on the highway, which is better than its closest competitors, Acura TSX and Volkswagen CC Sport. On the open road, Regal Turbo's 2.0-liter direct-injection four-cylinder engine delivers 220 hp and 258 lbs-ft of torque — also better than its rivals.

"Not only is the Regal Turbo fun to drive and fuel efficient, it is the first direct-injected turbocharged production car capable of running on any blend of gasoline or E85 ethanol," said Robert Casparian, Regal product manager.

Like the Regal Turbo with

automatic transmission, which starts at \$28,745, the manual offers three unique driving modes — standard, tour and sport — each selectable by a push of a button. The available Interactive Drive Control System changes the Regal Turbo's driving dynamics by altering suspension, shift pattern and steering sensitivity through the variable effort steering system.

Tour mode offers a comfortable, relaxed driving experience for long journeys. Sport mode enhances road-holding capability. And the standard, or default, mode is optimized for all driving situations.

"By enabling drivers to tune their vehicle to their driving preference and even their mood, we're better able to exceed their expectations and provide a more satisfying driving experience," Casparian said.

As much as driving enjoyment factored in the French's decision to purchase the granite gray metallic Regal Turbo, so did its sweeping silhouette and streamlined, coupe-like profile that suggest motion from all angles — from its waterfall grille to its spoiler-enhanced tail end.

"All of our friends love our sexy new car," said Cathy French. "Of course, I'm telling them that it's really my car and that I'm only letting Brad drive it."