

# Ford's Mulally 'Person of the Year' in Euro Awards

BRENTWOOD, Essex, U.K. – Ford President and CEO Alan Mulally has been recognized as Person of the Year in the third annual FT ArcelorMittal Boldness in Business Awards. The awards recognise companies and individuals who have challenged the status quo and taken calculated risks to drive their business forward in the face of current economic uncertainty.

Alan Mulally was commended for the turnaround plan that has allowed Ford to emerge from the financial crisis with sustained profitability.

It was also recognised that Ford did not rely on a government bailout and that Ford today is the most profitable car company in North America, having managed to change customer perceptions and earn a higher margin per vehicle sold.

Lionel Barber, editor, Financial Times, said: "This is the third year of the FT ArcelorMittal Boldness in Business Awards and while the market remains undeniably challenging our shortlisted companies and individuals have dis-

## Volvo to Hire 1,200 Employees

By LOUISE NORDSTROM Associated Press

STOCKHOLM (AP) – Volvo Cars said Tuesday it will embark on a major recruitment program, hiring up to 1,200 workers within a 12-month period as it makes a major push to develop fuel-efficient vehicles.

Most of the recruits will be research and development engineers working on improving fuel efficiency, including the electrification of cars, the Sweden-based company said.

Volvo Cars, which was acquired from Ford Motor Co. for \$1.5 billion by China's Geely Holding Group last year, said it also will hire staff in marketing, procurement, IT and manufacturing. More than half of the new staff will be located in Sweden.

"We need to expand our operations to enable development of the highly competitive and fuel-efficient products and technologies which are part of our growth plan," CEO Stefan Jacoby said.

The move comes just a month after Volvo revealed plans to invest up to \$11 billion in further expanding worldwide over the next five years.

"This is one of the biggest recruitment projects that Volvo Car Corp. ever has carried out," said Bjorn Sallstrom, a senior vice president of Volvo's human resources.

"The new engineers are needed to develop the technologies and car models which are part of the aggressive product plan that our board and executive management team has developed."

The company said 2010 had been a real turnaround for the auto sector, with Volvo's global sales soaring more than 11 percent compared with the previous year. Also, 2011 began well, showing market growth in Europe and North America.

During the financial crisis, Volvo slashed about 25 percent of its 25,000 work force.

Currently, it has 19,500 employees worldwide, with 13,000 of those employees located in Sweden.

## Magleby Talks Job Retention At Auto Event

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and employers, including Ford, have benefited from the state taking a longer-term point of view.

Otherwise, the Roads to Renewal II conference featured high-powered speakers including U.S. Rep. John Dingell, whose constituency includes Dearborn, of course, as well as Michael Finney, president and CEO of the Michigan Economic Development Corp. (MEDC), the state's business relations and investment arm.

Also representing automotive thought were Dr. Sean McAlinden, economist with CAR, as well as David Andrea, senior executive with the Original Equipment Supplier's Assn.

played an inspiring ability to innovate and drive change. I would like to congratulate all of the winners for their dedication and boldness in driving their businesses above and beyond the competition."

Lakshmi Mittal, Chairman and CEO, ArcelorMittal, said: "This has been another strong year for the FT ArcelorMittal Boldness in Business Awards with an impressive array of winners and shortlisted companies. All the companies are inspirational and we should

# Dependability, Fuel Efficiency Aid Lincoln MKZ Hybrid's Sales Surge

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"Potential customers are surprised by the Lincoln MKZ Hybrid's quietness, comfort and power. They just love the performance," says Witt.

Outfitted with Ford's award-winning 2.5-liter Atkinson-cycle four-cylinder engine, permanent magnet electric motor and eCVT transmission, Lincoln MKZ Hybrid delivers seamless performance. The gas-electric powertrain is rated at 191 horsepower.

MKZ's interior has been laid out with an array of standard features, including real wood trim taken from sustainable forests, supple leather upholstery, heated and cooled front seats, and the award-winning SYNC voice-activated in-vehicle communications and entertainment system.

Lincoln is also the only luxury car brand to offer a THX II Certified Audio System, bringing home theater sound quality to the MKZ through 14 speakers strategically spread around the acoustically engi-

# GM, Ford Talk Alternative Fuels, Others Solar Assembly Lines, Rail at Green Expo

by Christine Snyder Staff Reporter Tech Center News

A company that engineers automotive assembly lines has translated that technology to solar panels. Another has developed a "green" garbage truck. A small company provides an all-electric fleet vehicle to a Michigan OEM. Another OEM has several fuel alternative irons in the fire.

Innovations such as these and others like an all-electric fleet vehicle were explored at the Macomb County Chamber of Commerce's "All Things Green Conference & Expo" in Warren March 30.

The conference kicked off with the topic, "Innovation," and GM weighed in with its fuel alternative strategies.

Daniel Frakes, manager of vehicle, fuels and energy policy at GM said the automaker's short-term fuel alternative strategy involves biodiesel, ethanol and compressed natural gas (CNG).

All GM vans will be biodiesel-capable by the end of the year. And half of all GM products will be flex-fuel (ethanol) capable by 2012.

CNG has rapidly become available on certain cargo vans. "Our fleet customers have been demanding it," said Frakes. "It has less emissions, is domestically available and

pause to consider what it takes to be bold like them. Think of the decisions that faced Alan Mulally at Ford when he chose to radically restructure the business or the strength of vision that inspired Apple to be a pioneer in the tablet market. They have all taken challenging, perhaps at times controversial paths, but ones that have ultimately proved highly successful. It takes courage to do this and I hope these awards will act as an inspiration to



2011 Lincoln MKZ Hybrid.

neered cabin.

"Lincoln's latest models continue to be well received by luxury car customers," said C.J. O'Donnell, Lincoln group marketing manager.

"The MKZ Hybrid is just the start of the journey we are taking in redefining the Lincoln brand and its new model range for the future. Lincoln uniquely blends the style today's luxury vehicle customers demand with impressive, clean, economical per-

formance as well as a wide range of intuitive technologies and features."

Ever since last year's announced demise of the Mercury brand, the Ford Motor Co. enterprise has been able to channel its marketing efforts across Ford brand and Lincoln, exclusively.

Ford executives have said they are now seeking to grow Lincoln's impact in the same fashion that the Ford brand has enjoyed in recent years.

there is an abundant supply." AT&T recently announced it will put 101 CNG-powered GM vans in its fleet.

Electrification and hydrogen fuel cells are more long-term solutions.

Frakes discussed GM's "Project Driveway," a program that put people in 100 vehicles over 30 months. "It was the largest fuel cell test ever conducted," said Frakes. "We learned a lot and collected a lot of data . . . and saved 1.2 million pounds of CO2 emissions during the test."

"It's a very promising technology and more to come from it at GM."

Ford has also been ramping up its fuel alternatives as well. One of its solutions was on display at the North American International Auto Show this year – the Ford Transit Connect. Visitors were able to take a short ride in its all-electric van.

Azure Dynamics is the small, 160-employee Oak Park company that partners with Ford to make the vehicle that can go 80 miles on a single charge.

Ford builds "gliders" – vehicle bodies without the guts of a fuel tank, transmission, etc. – of the van in Turkey and then ships it to Azure's integration facility in Livonia where its electric components are put in.

"It has zero emissions. It

others." The judges for this year's awards were:

- Lionel Barber, Editor, Financial Times;
- Lakshmi Mittal, Chairman and CEO, ArcelorMittal;
- John Authers, Head of the Lex Column, Financial Times
- J Frank Brown, Dean, INSEAD;
- Luke Johnson, Chairman, Risk Capital Partners;

Sponsoring firm Arcelor Mittal has a much higher profile in Europe than in the U.S.

# How to Protect Yourself From Costly Potholes

BLOOMINGTON, Ill. – Winter brings a number of driving hazards, but one of the most dreaded is the pothole. An encounter with one can leave damaged tires, wheels and suspension components in its wake.

State Farm Insurance estimates the average damage can put a big dent in drivers' pocketbooks – costing anywhere from \$300 to \$700.

Potholes, also called chuckholes and road craters, can occur in any region or climate, but at this time of year, they're especially prominent in areas known for ice, snow and below-freezing temperatures. Freezing and thawing cycles allow moisture to seep into the road surface, which causes the road to crumble.

There's not much that can prevent the deterioration of the driving surface, but there are five things you can do to protect yourself and your wallet:

- Try to limit your auto travel to roads you know very well. That knowledge could keep you from hitting a pothole and seriously damaging your car.

- When driving at night, travel on well-lit roads.

- Slow down. Give yourself a chance to see the pothole and avoid it.

- If you hit a pothole, carefully inspect your tires and wheels for possible damage. Note how your car handles in the aftermath. If it "pulls" in a particular direction or you feel a wobble in the steering, have a mechanic check it out.

- If you can't avoid a pothole, do your braking before impact. There's less damage to a tire when it's rolling than when it's skidding over a pothole during braking.

Potholes can create bigger issues for motorcycles, which are less stable than cars and provide less protection than cars in a crash. Some potholes are large enough to turn a cycle over in extreme cases.

The National Highway Traffic Safety Administration recommends riders go around such hazards. To do so safely, riders must be able to spot a pothole from a distance, so slow down before reaching the obstacle and make sure you have room if you need to swerve.

# Consumer Spending Now Stimulates U.S. Economy

WASHINGTON (AP) – Consumers helped boost economic growth in the final months of last year, but higher oil prices are threatening to steal some of that momentum this year.

More expensive gas will dampen consumer spending, at least in the first three months of this year. Still, many economists say the bump in fuel costs and the crisis in Japan will have only a mild impact on the U.S. economy for the full year and are sticking with 2011 projections for the fastest growth since before the recession.

The economy, as measured by the gross domestic product, grew at an annual rate of 3.1 percent in the October-December quarter, the Commerce Department reported Friday. That was an upward revision from last month's 2.8 percent estimate, boosted by more inventory building and business investment in plants and equipment.

The quarterly expansion was the best since the start of last year and was driven by 4 percent growth in consumer spending, the strongest gains in four years. Consumer spending is closely watched because it accounts for 70 percent of economic activity.

Many economists had high expectations for growth this year after President Barack Obama signed into law a one-year tax cut that will give most Americans an extra \$1,000 to \$2,000.

But a jump in oil prices has likely cut into the gains from the tax cut, slowing growth in the first three months of this year. How much is a matter of debate, reflected in the wide range of estimates for growth in the January-March quarter. Forecasts range from as low as 2.3 percent to as high as 3.8 percent.

Paul Ashworth, chief U.S. economist at Capital Economics, is on the lower end. He slashed his estimate from 4 percent down to around 2.5 percent. He's convinced higher energy and food prices will chip away at Americans' disposable income.

"The bottom line is that the surge in food and energy prices has almost entirely offset the big boost to real spending we anticipated from the payroll tax cut," he said.

The crisis in Japan is another concern, although if it has any impact on U.S. growth it would more likely happen in the April-June quarter.

The biggest concern is the disruption of factory production there. That could slow movement of parts to U.S. companies, particularly those that make autos and electronics. Still, most analysts believe the impact will be minimal.

Jeff Schuster, executive director of global forecasting at J.D. Power and Associates, said Japan plant shutdowns could result in production cutbacks at U.S. auto plants

over the next two to three months. But he said any lost production would be made up later this year. He said he did not expect the shutdowns in the April-June period to be significant enough to lower the overall growth rate for the quarter.

There are other uncertainties overseas that could hurt U.S. growth, including a widening war in Libya.

But many economists are sticking with their projections for strong growth this year, saying tax cuts – including one that encourages businesses to spend more on new equipment – will offset most of the hurdles.

Ashworth said the boost from the tax relief should help lift consumer spending and the overall economy starting this spring. He is forecasting growth of around 3 percent for all of 2011. That would be the strongest growth since 2005. Last year, the economy expanded 2.9 percent. That was a rebound from the 2.6 percent plunge in output in 2009, the worst performance in six decades.

Nariman Behraves, chief economist at IHS Global Insight, is projecting growth of 3.2 percent for the year.

"Better job prospects and improved household finances will have a bigger impact on spending than higher oil prices, stock market jitters and events in Japan," he said. Economists say growth needs to average around 5 percent for a year just to lower the current 8.9 percent unemployment rate by 1 percentage point.

## Cooper Buys Small Supplier In Tennessee

Novi-based Cooper Standard Automotive, Inc., last week announced the acquisition of USI, Inc., from Ikuyo Co., Ltd. of Japan, effective immediately.

USI, based in Rockford, Tenn., provides an exclusive hard coating process for use in automotive and industrial applications, including bright trim assemblies on vehicles produced by a number of global automakers including Ford, GM, Honda, Hyundai, Nissan and Toyota.

Terms of the sale were not disclosed.

"This is an excellent acquisition for Cooper Standard, as it allows us to apply USI's innovative hard coating technology on products we currently offer, while also expanding our product offering," said Jim McElya, chairman and CEO of Cooper Standard.

"USI's portfolio incorporates Japanese, North American and European technologies, which will allow Cooper Standard to offer our global customers a full range of bright trim sealing assemblies."



PHOTO: CHRISTINE SNYDER

Rob Alward, left, and David Brosky, of Bosch Rexroth Corporation, show off the hydraulic hybrid garbage truck at the "All Things Green Conference & Expo" in Warren.