2011 Jeep Grand Cherokee

Jeep, Mopar Grab Top Spots in Creative Marketing

AUBURN HILLS – Chrysler Group LLC's Jeep and Mopar brands took home top honors at the Direct Marketing Association of Detroit's Annual Target Awards held Tuesday, May 24.

The awards celebrate creative excellence as well as outstanding performance in the area of direct marketing. The campaigns were created in partnership with Meredith Integrated Marketing of Southfield, Mich.

The "Golden Target" award, the top honor of the event, was given to Meredith for a direct mail brochure for the launch of the 2011 Jeep Grand Cherokee. The winning entry was designed to reflect the world-class craftsmanship of the new Jeep Grand Cherokee.

Direct mail customers received an oversized sleeve that, when opened, revealed a large-scale, double-sided poster that showcased both the interior and exterior design improvements to the new SUV. For a more tangible experience, the poster featured a soft-touch coating.

The campaign also received a first-place award in the "Automotive Over $500 per Thousand" category.

A first-place award in the "Automotive Under $500 per Thousand" was presented to Meredith for their work on Mopar, the Chrysler Group's service and parts brand, quarterly service magazines.

The magazines, which leverage the look and feel of each Chrysler Group brand, are designed to educate and inform owners about vehicle care and maintenance, as well as to encourage dealership traffic by offering seasonal service promotions. The Mopar magazines also include seasonal driving and vehicle care tips.

"We are thrilled to be recognized by the Direct Marketing Association of Detroit," said Susan Thomson, Head of Media – Chrysler Group LLC. "We would like to thank our partner Meredith Integrated Marketing for their creative efforts and support."

Doug Claggett, Executive Creative Director of Meredith Integrated Marketing, noted, "Awards are nice, but even better is the fact that this effort is a clear signal that the Chrysler Group means business and that the Jeep Grand Cherokee is back in a big way – great vehicle, great service offering and a client who understands and respects the role of creativity in driving sales and traffic."

Meredith Integrated Marketing (MIM) is a full-service direct and digital marketing agency with a unique Publishing/Agency Model approach.

MIM has more than 700 employees across the United States, and more than 40 years of experience in creating custom Content and Customer Relationship Marketing platforms.

Meredith Integrated Marketing's approach is to acquire the best-in-class specialty agencies to deliver the most relevant services that clients demand. Evidence of this approach are the acquisitions of O'Grady Meyers, Genex, New Media Strategies, Directive, Big Communications and most recently, The Hyperfactory.

Visteon Appoints Shull New HR Vice President

VAN BUREN TOWNSHIP – Visteon Corporation, a leading global automotive supplier, has appointed Keith M. Shull as senior vice president, human resources, effective June 1.

Shull has held senior executive human resources positions at several Fortune 500 companies, most recently as senior vice president, human resources, for Walter Energy Inc. in Tampa, Fla.

Shull reports to Visteon Chairman, Chief Executive Officer and President Donald J. Stebbins. As a member of Visteon's global leadership team, Shull is responsible for the company's global human resources strategy and programs, including employee recruitment and development, compensation and benefits, labor relations and organizational structure.

"Keith's extensive experience leading global human resources teams at a range of multi-faceted global companies will be very valuable as we leverage our global manufacturing and engineering footprint to serve our customers," Stebbins said.

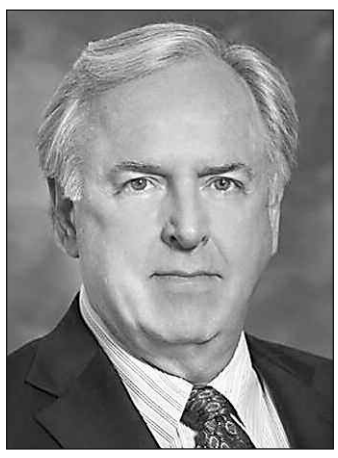
"Keith has an excellent reputation for building, developing and aligning results-focused teams at dynamic global organizations. We're pleased to have him on Visteon's leadership team."

Shull served on Walter Energy's executive leadership team since January 2010, directing all human resources functions for the global steel industry supplier. Before that, he was an independent consultant to the global mining industry.

From 2005-2008, Shull was responsible for global human resources at Arrow Electronics Inc. in Englewood, Colo., overseeing staff in more than 52 countries as a senior vice president.

From 1996-2005, Shull was senior vice president, global human resources, for the base metals division of BHP Billiton Inc., a major natural resources company. He previously served 14 years at Unocal Corp., advancing to group general manager, human resources.

Shull has a bachelor's degree in business administration from California State University, Fullerton and a master's degree in management from the Drucker School.



Keith M. Shull

Tesla Common Stock Expected to Gain $214 Million

By TOM KRISHER
and MAE ANDERSON
AP Business Writers

DETROIT (AP) – Upstart California EV automaker Tesla is on the move again.

That's because, in part, Tesla Motors Inc. will sell common stock again, this time with hopes of raising $214 million to expand its limited model lineup.

The company plans to sell 5.3 million shares to the public and up to 795,000 more to the underwriter, at about $26 each, according to a regulatory filing last week. The sale follows its initial public offering from a year ago, when its stock was offered at $17.

In addition, CEO and cofounder Elon Musk will buy 1.5 million shares at $26 each in a private sale. Blackstar Investco LLC, an affiliate of Daimler AG, will buy 644,475 shares directly from Tesla at the same price.

Executives typically buy shares in their own company to show faith in its future.

Shares of the Palo Alto, California-based rose 8.5 percent to close at $28.98.

Proceeds from the sale are needed to develop the Model X, an SUV-like vehicle that will broaden the company's appeal among consumers. Tesla gave no details and didn't offer pictures of the vehicle, which would boost Tesla's sales with an entry into a fast-growing segment of the U.S. market.

Andrea James, an applied technologies analyst with Minneapolis-based Dougherty and Co, said Tesla is building itself into a good, solid company. "That would be another brick in the foundation."

Tesla currently sells just one vehicle, the $109,000 Roadster, an electric sports car popular with celebrities and performance-car enthusiasts. It will offer a $50,000 four-door luxury sedan called the Model S next year.

Tesla also makes technology, such as battery packs and chargers, for Daimler and Toyota. It is developing the power system for an electric version of the Toyota RAV-4, a popular small crossover vehicle.

No date was set for the new stock sale. The offering price will likely be changed to match market demand.

The company has posted losses since the IPO as it invests heavily in research and development. It lost $48.9 million in the first quarter largely because of ballooning costs.

But some analysts believe Tesla could eventually become much bigger as demand for electric vehicles expands.

U.S. sales of electric cars will reach 11,000 this year, rise to 36,000 in 2012 and grow to around 96,000 in 2015, predicts research firm J.D. Power and Associates. That's still less than 1 percent of total U.S. vehicle sales.

Tesla won't turn a profit until 2013, said Dougherty's James. But the company isn't desperate for cash, she said, in part because of a $465 million loan from the U.S. Department of Energy to develop alternative fuel vehicles.

Tesla, she said, only has to capture 1 percent of the U.S. luxury car market, or about 20,000 vehicles a year, to make money. "It's not like they have to be the next Ford to be successful. They just need to be their own niche brand with growing appeal."

Tesla has delivered about 1,650 of its Roadster sports cars as of the beginning of the month and received more than 4,600 reservations for its upcoming Model S sedan.

The company plans to show a prototype of the Model X crossover by the end of 2011 and start selling it in late 2013.

So far this year, the two automakers offering more mainstream electric vehicles have not seen huge sales. Nissan has sold about 1,000 of its Leaf all-electric model in the U.S., while General Motors has sold just over 1,700 Chevrolet Volt electric cars.

Tesla's CEO, Elon Musk, has a history of successful startups, including PayPal and the rocket builder Space Exploration Technologies.

Toyota Motor Corp. last year agreed to sell Tesla a shuttered plant in Fremont, California, and invest $50 million in the company. Tesla plans to use the plant to build the Model S.

Tesla shares closed at $23.89 on its June IPO date, hit a low of $14.98 on July 7 and have risen since then. When it held its IPO in June 2010, Tesla was the first automaker to go public since Ford Motor Co. in 1956.

Tesla is admired for its marketing, as well, as its new car dealerships around the world have been compared to the Apple store experience.

VW Opens Newest Plant in Tennessee

By KRISTIN M. HALL
Associated Press

CHATTANOOGA, Tenn. (AP) – Volkswagen is jumping into the U.S. auto market with a domestically built Passat that is bigger and cheaper, bidding to break into the competitive midsize sedan market.

At the grand opening of its new plant in Chattanooga, the German automaker presented the 2012 Passat last week as the key to building U.S. sales to 1 million units by 2018. The factory has been producing cars since April and Volkswagen officials took the opportunity to show off both their German-designed sedan and the $1 billion plant.

The new Passat will go on sale in the third quarter for $20,000 a car. That's about $7,000 cheaper than current models built in Germany and close to the prices of such competitors' models as the Ford Fusion, the Toyota Camry, the Honda Accord and the Hyundai Sonata.

Jonathan Browning, president and chief executive officer of Volkswagen Group of America, said the automaker wants to make German engineering more accessible to North American buyers.

"The Passats produced here in Chattanooga will be a key enabler to our growth, allowing us to compete in the core of the midsize sedan segment," Browning told reporters before the unveiling of the plant.

Volkswagen intends to produce 150,000 sedans annually at Chattanooga for the American market, a big jump for a car that has only sold a peak of 80,000 units annually in the U.S. in its history. Analysts say high production is needed if they are to keep pace with competitors.

Rebecca Lindland, senior analyst for IHS Automotive, said the best-selling brand in the market, the Toyota Camry, is expected to sell 350,000 units next year.

"One of the big obstacles that Volkswagen faces is that people know of the brand, but don't necessarily think of the brand when buying a car," Lindland said.

The carmaker is trying to change that with the Passat, which was featured in a popular Superbowl commercial with a youngster in a Darth Vader costume. The actor, 8-year-old Max Page, was on hand in Chattanooga to open the factory doors for tours.

"Das auto is finally back in the States," declared Martin Winterkorn, chairman of the board of management for Volkswagen AG, the parent company of Volkswagen.

Being the only European brand in the crowded pack may be the Passat's selling point.

The 4-door sedan is offered with either diesel or regular gasoline engines, comes standard with dual-zone climate control and Bluetooth features. The diesel version boasts 43 mpg on the highway and the standard version, 32 mpg for a 2.5-liter.

The plant itself has such energy-efficient design measures as LED lighting and rainwater recycling. Frank Fischer, who heads VW's Chattanooga plant, said the complex uses 35 percent less energy than a standard automotive plant.

Lindland said diesel car sales have increased 48 percent in the year to date, as consumers look to European brands for better fuel efficiency – even higher than hybrid car purchases, which rose 25 percent in the same period.

Transportation Secretary Ray LaHood said at the grand opening that consumers are seeking out cars that not only save them money on gas, but also contribute to the national economy and curb the effects on the environment.

"We know that clean diesel is one ingredient in the recipe for our long-term energy security," he said.

When Volkswagen selected Chattanooga as the site of their new American plant, they knew that the only way to make a dent in the US car market was producing American cars, said Fischer.

"You have to be a local producer to also be in the market," said Fischer.

TARDEC Displays Vehicle At Indy 500 Track Site

INDIANAPOLIS – Quantum Fuel Systems Technologies Worldwide, Inc. announced that the U.S. Army's Tank Automotive Research, Development and Engineering Center (TARDEC) demonstrated the Clandestine Extended Range Vehicle (CERV) as part of special events ramping to the Indianapolis 500.

The U.S. Army labeled the CERV as one of the "greenest technologies" and demonstrated how its advanced hybrid electric powertrain developed by Quantum and TARDEC saves taxpayer dollars and Soldiers' lives.

In support of the U.S. Army's drive for energy efficiency, Quantum developed the Military Aggressor, a first generation fuel cell hybrid electric alternative mobility vehicle (AMV) several years ago.

This high performance vehicle was designed for quick-paced mobility operations such as reconnaissance, surveillance and target designation.

The CERV, which looks like an Army version of a dune buggy, is a newer generation stealth vehicle that incorporates Quantum's Q-Force all-wheel drive diesel hybrid-electric technology and a lightweight chassis to produce a torque in excess of 5,000 foot-pounds.

The unit has a top speed of 80 mph and climb 60 percent grades, while reducing fuel consumption by up to 25 per cent compared with conventional vehicles of comparable size.

In a recent press release, TARDEC NAC Director Paul Skalny noted, "In keeping with the Nation's interest in fuel efficiency, renewable power and energy security, TARDEC is fully engaged in ambitious programs that push development of hybrid electric vehicles for U.S. military use. Having CERV at the Indianapolis Motor Speedway – the proving ground from which both the defense and automotive industry have learned so much – is a solid indicator of where this technology can go."

Quantum Fuel Systems Technologies Worldwide, Inc., a fully integrated alternative energy company, is a leader in the development and production of advanced propulsion systems and energy storage technologies.

SAE Publishes New Driver Book

WARRENDALE, Pa. – "Performance Metrics for Assessing Driver Distraction: The Quest for Improved Road Safety" is a book recently published by SAE International.

The title is an edited compilation of papers developed from presentations made at the 4th International Driver Performance Workshop in San Antonio, Texas, in 2008.

The work was edited by Dr. Gary L. Rupp, the workshop moderator and an active expert in this field for more than 30 years.

A wide-ranging examination of current driver metrics research and applications, and a valuable resource for scientists, engineers, government officials, researchers and students it helps better understand and measure driver's distraction.

This 264-page volume consists of 15 chapters concerning methods for assessing driving and secondary task performance.

One NHTSA study said that driver distraction now accounts for 28 percent of all car accidents in the U.S.

"Government and the vehicle industry have made improving road safety and reducing driver distraction a top priority," said the author, Gary Rupp. "The need for deeper expertise in these subjects is growing."

To request a copy of the new Driver Distraction book, e-mail pr@sae.org or otherwise phone SAE International's office in Pennsylvania at (724) 772-8522.

GM Powertrain Says Direct Injection More Efficient

PONTIAC, Mich. – Anyone who has ever played the game "telephone" knows that the more times a message gets passed along, the less accurate it will be when it gets to its destination.

The same thing applies to feeding fuel to an engine.

Across-the-board use of direct injection in the Buick lineup is helping to take translation layers out of the delivery process to reduce both fuel consumption and emissions. Buick is the only domestic brand powered exclusively by direct injected engines.

Direct injection has enabled fuel economy improvements of up to 3 percent on the Buick Enclave, LaCrosse, Regal and the upcoming Verano – without sacrificing performance and still meeting the world's most-stringent emissions requirements.

Over the past three decades, fuel delivery systems have evolved from the relatively primitive carburetor that relied on the Bernoulli effect to draw fuel through a tiny jet as air accelerated by, to the more-precise throttle body injection that gave way to port and finally direct injection.

Today's high-pressure direct injectors deliver fuel to the point of combustion in the cylinder so fuel doesn't get left behind on manifold walls or evaporate up out of a carburetor.

The demise of the carburetor ended problems like flooding and vapor lock and direct injection brings several benefits over the more recent sequential port fuel injection systems.

"The 2,200 pounds per square inch of pressure that feeds the injectors provides a more atomized and precisely metered fuel spray to each cylinder before every combustion event," said Ecotec chief engineer Mike Anderson.

When used on boosted engines like the 2.0-liter Ecotec Turbo in the Regal and the upcoming Regal GS, direct injection also provides a charge cooling effect.

"Spraying fuel directly into the combustion chamber reduces the temperature of the compressed mixture as the fuel evaporates, which enables a higher-compression ratio, allows for more spark advance, and reduces fuel consumption" said Anderson.

"The beefier low-end torque and improved drivability of the direct-injected 2.0L turbo makes it a no compromise high-efficiency substitute for a bigger and heavier V6."

Engines with direct injection also warm up faster thanks to the ability to add a second injection pulse right before the spark plug ignites the fuel following a cold start. This faster warm up can cut emissions of unburned hydrocarbons by up to 25 percent.

Also with direct injection, the 220 horsepower Regal Turbo beat the Acura TSX by 19 hp and 88 pound-feet of torque from just 2,000 rpm while still achieving up to 32 mpg on the highway, an advantage of 4 mpg.

The Buick Enclave is the most fuel efficient eight-passenger crossover on the market with an EPA estimated 17 mpg city and 24 mpg highway.

GM has significantly upgraded its Powertrain operations in Pontiac over the past decade and most of its engine engineering work has been concentrated there.

All of the automakers have been under the gun as far as fuel efficiency and engine tailpipe emissions goes, so they've all been pumping billions of R&D dollars into powertrain development to stay one step ahead of the CAFE sheriff, so to speak.

Blending traditional ICE engine powertrains with hybrids and EVs is now the ongoing challenge for everybody.