GM to Add 110 Jobs in \$331M Texas Plant Investment

Indy Motor Speedway Is Still an Auto Test Site

By MICHAEL MAROT **AP** Sports Writer

INDIANAPOLIS (AP) - Indianapolis Motor Speedway has not changed its master plan in the last century.

It is still a test facility at heart.

Engineers have spent 100 years improving engines, modifying fuel mixtures, and designing new safety features, and now the 2.5-mile is ready to roll into its second century as a high-tech proving ground for the American automotive industry.

'There's a lot of technology still out there," speedway president and CEO Jeff Belskus said. "It's hard to know what we might see in the next century - solar-powered cars, hybrids, electric cars - running around here.³

It's just as hard to contemplate how far things have already come.

In 1909, when the famed Brickyard opened, nobody would have imagined today's race cars would speed around the track for three hours at speeds topping 225 mph or need less than 15 seconds to refuel and change tires.

But over the years, designers have done more than test the limits at Indy. They've perfected innovations that are commonplace in today's automobile market.

Rav Harroun's winning car in the first 500, in 1911, was equipped with a rearview mirror. A decade later, manufacturers were testing hydraulic brakes, and since the 1950s, Firestone has used the long race to advertise improvements made in tire manufacturing.

Track historian Donald Davidson insists there is no substantial evidence to suggest all of these products were introduced at Indy, but there is little doubt the track has helped racing products evolve for everyday use in passenger vehicles.

"How could you find the extremes? You would stand on it till it blows up, and then you would take it back to the shop and find out what broke. That's how you learned," Davidson said of the speedway's initial years.

"(Racing at Indy) wasn't set up for the sport. It was watching testing.

Nobody's really sure what's next, though there are indica- crash.

tions where things are headed.

While the thought of seeing solar-powered, hybrid or electric race cars might seem like something out of a science fiction movie, IndyCars have been running on methanol since the 1960s and 100 percent ethanol since 2007. Track officials are so committed to changes that they carved out one May day just to highlight alternative energy vehicles.

The steering wheels used by today's Indy drivers carry a variety of information about the car's performance including accurate fuel tank levels and flashing lights that indicate when to slow down for caution periods.

Charlie Kimball, the first diabetic driver race officials knowingly let start the 500, also mounts a monitor to his steering wheel so he can track blood-glucose levels during the race. By next season, it could be built into the steering wheel and, perhaps, one day may show up on American highways.

"They're trying to get it integrated with the other telemetry systems," Kimball said. "They're working on software for it."

What else could change over the next 100 years?

Perhaps the next generation of SAFER barriers, the movable walls that absorb energy and protect drivers when they crash.

Former speedway CEO Tony George invested heavily in the design, and it was George who installed the first "soft walls" in 2002. They are now used by the IndyCar and NASCAR circuits as well as tracks that carry the developmental series for the big leagues.

then, developers Back thought the product might eventually go from the track to the highways and some remain hopeful that still will happen.

Some estimates indicate tracks spend about \$500 per foot to install the protective walls, which could be too expensive for budgets that already are strained funding essential services.

Perhaps rupture-resistant fuel cells will be added to passenger cars.

IndyCars have been using them since 1965, the year after two drivers died in a fiery

Indy 500 Winner Wheldon Brings Home the Silver

ARLINGTON, Tex. – General Motors will add 110 jobs and invest \$331 million to purchase tooling and equipment and expand the Arlington Assembly Plant to make future Chevrolet Tahoes, Suburbans, GMC Yukons and Cadillac Escalades

"This investment will allow to continue building us award-winning full-size SUVs that offer better fuel efficiency than ever before without sacrificing the features and functionality they've come to expect," GM Manufacturing Manager Larry Zahner said last week.

"We remain committed to providing customers the utility and capability of our worldclass full-size SUVs.'

Last week's announcement is part of the \$2 billion in U.S. investment that GM announced for 17 facilities in eight states on May 10.

Announcements positively impacting employment were made recently at assembly plants in Bowling Green, Ky., and Detroit, Mich.; and at

powertrain plants in Toledo, Ohio, as well as Flint and Bay City, Mich. This is on top of \$3.4 billion invested and 9,000 jobs created or retained in the United States since mid-2009.

The Arlington investment is primarily for manufacturing machinery, equipment, special tooling and an expansion of the current facility.

The plant, which opened in 1954, built its 9-millionth vehicle earlier this month. It last was expanded in 2001, to 3.75 million square feet.

We truly appreciate the support we have enjoyed from the Arlington community over the years," said Zahner.

"This investment is possible because of the teamwork between GM, the UAW, the Arlington community and the great State of Texas.

The 110 new jobs will be added to an existing workforce of 2,400 hourly and salaried employees at Arlington

"Today's announcement of



General Motors Arlington Assembly Plant employee Joe Gonzalez works on the line prior to GM's announcement it will invest \$331 million and add 110 jobs at the plant to to make future Chevrolet Tahoes, Suburbans, GMC Yukons and Cadillac Escalades.

jobs for the Arlington Plant placed before them. Their shows that the members of highly developed skills and UAW Local 276 have what it abilities enhance their capacitakes to compete and win in ty to build world-class vehitoday's global auto market," cles for said UAW Vice President-GM sumers." Department Joe Ashton.

swered every American con-

The Arlington plant re-

will increase in the early go-

ing, but the increased visibili-

ty the engine companies bring

could draw sponsorship and

tential for team revenues will

crease. The question is how is

There's also the question of

This year's Indy 500 qualify-

ing produced the smallest

time difference between the polesitter and the 33rd qualifi-

er in history - just 2.5399 sec-

onds separate fastest qualifier

Alex Tagliani and the slowest,

Ana Beatriz. That's in part be-

cause teams have been in the

cars for so long that they fo-

cus on tweaking rather than

Kanaan said. "You have an en-

gineer that worked at Andret-

"It's been the same cars for a long time," driver Tonv

gathering new knowledge.

one relative to the other.'

performance.

"It will raise the profile of

IndyCar to Add Chevrolet Engines During 2012

By CLIFF BRUNT AP Sports Writer

INDIANAPOLIS (AP) – Bryan Herta couldn't ask for a better situation heading into 2012.

He considered expanding his one-car race team this year, then realized it made more sense to wait until next year when sweeping changes to the cars' design and engine take effect.

After years of using just Honda engines, the IndyCar series will add manufacturers Chevrolet and Lotus next season. The cars' uniform appearance also will disappear. The bodywork on the Dallara rolling chassis can be modified within certain specifications, allowing the cars to become unique both in appearance and performance.

With the current cars in use since 2003, the new IndyCar era begins Jan. 1, wiping the slate clean for all teams from single-car outfits to Indy-Car giants Penske and Ganas-

Automakers Facing Fresh Headwinds in Car Sales

By TOM KRISHER and DEE-ANN DURBIN AP Auto Writers

DETROIT (AP) - U.S. auto sales cooled off in May as dealers started running short on some popular, fuel-efficient models and buyers were turned off by sharply lower in-

centives.

said they were still optimistic for the year, with Ford and GM sticking with annual forecasts of around 13 million in U.S. sales. That's far short of the 2000 peak of 17.3 million, but better than the 10.4 million trough in 2009.

Ford even increased thirdchief economist. Ellen Hughes-Cromwick, said there was good economic news with the bad, including moderating of gas prices, low interest rates and better availability of loans.

percent lower than in May of 2010. Prices on Japanese cars have risen an average of \$610 per vehicle since the quake, Edmunds said.

Shortages are the biggest reason. IHS Automotive estimates that the U.S. has around 400,000 fewer cars in vehicle valuation for Kelley quarter production by 8 per- inventory than it should have Blue Book, expects prices to cent over last year, and its at the current sales pace. Toy- be high into the fall. Then a

cent below that price.

Even sales of some fuel-efficient small cars not affected by the earthquake are in tight supply. GM said it only has a 37-day supply of the Chevrolet Cruze small car.

Alec Gutierrez, manager of likely drop in gas prices and enough Prius hybrids for 10 increases in Japanese production should bring them back to more normal levels. Honda Motor Co. said last week that its North American production will return to near-normal levels in August. But production of the popular, fuel-efficient Civic, which still lacks critical parts from Japan, will take longer to recover.

tunity that's out in front of us," he said. "I can tell you that the opportunity to enter series and compete the

for his team to grow.

against the big established teams is better than it has been in many years.³ The changes are already in

motion. The prototype car is scheduled for initial testing the first week of August. Dallara's aero components for that car are undergoing wind tunnel testing at the company's headquarters in Parma, Italy, and the production run is expected to begin in August.

But all these changes will cost money – most estimates fall at about \$1 million per car. That could put smaller

teams in a very tough spot. Sarah Fisher's four-year-old team isn't in as good a financial position as Herta's, and it will need a strong season and a good showing by Ed Carpenter at Sunday's Indy

"Our members have an- mains an important cog in a future product and more challenge GM's manufacturing machine.

makes this the perfect time spend enough to make the turers, Lisles said the costs transition work. "I feel good with the oppor-Just four races into the sea-

son, Fisher, who's five months pregnant, couldn't even say whether the team will return make up for it. next year.

"I don't know," she said. "If the series," he said. "If things we can go out and establish a work out as I expect, the pogood season and at least continue on the base that we increase and cost will inhave from our current investors and partners, then I think we have a good chance."

All teams will be under increased pressure to lock up sponsorship as early as possible.

"I think because the engine manufacturers are looking for commitments earlier rather than later. I think it will have an impact early on because the system is going to be a little less flexible early on than maybe it has been in the past with people who have done deals as late as February," Newman/Haas general manager Brian Lisles said.

Because of the competition ti, now he's working with Alex Herta said the transition 500-to persuade sponsors to among the engine manufac- Tagliani."

JUNE 6, 2011

AUBURN HILLS - BorgWarner Chairman and Chief Executive Officer Timothy M. Manganello presented Dan Wheldon with the Borg-Warner Trophy in Victory Lane following his win of the 2011 Indianapolis 500.

His sterling silver image will be added to the prestigious and historic trophy for the second time, acknowledging his triumphs in 2005 and 2011.

The win marks the 100th anniversary of the "Greatest Race in History.'

"Celebrating the centennial of the legendary Indianapolis 500 is personal for everyone at BorgWarner," said Manganello.

"Both the Speedway and the trophy are part of our history, and embody the spirit of our company.

We are very proud to be part of a century-long tradition of achievement, competitive performance and technology leadership at the Indianapolis 500 and look forward to beginning the next century as the exclusive supplier of turbochargers for the IZOD IndyCar Series.'

The Indianapolis Motor Speedway was founded in early 1909 by four Indiana businessmen, including Frank Wheeler from the Wheeler-Schebler Carburetor Company, which later merged with several other companies to become part of Borg-Warner Corporation.

In 1911, Ray Harroun won the first Indianapolis 500 race, driving a Marmon Wasp, which was designed by Louis Schwitzer, an innovative engineer and founder of an early turbocharger business later acquired by BorgWarner.



CEO Tim Manganello presents the BorgWarner trophy to the Indy 500 race winner.

In 1936, the Borg-Warner Trophy made its inaugural appearance at the Speedway when it was presented to winner Louis Meyer.

Made of more than 100 pounds of sterling silver and standing five feet, six inches tall, the trophy originally cost \$10,000 and is currently valued at \$1.5 million.

The Borg-Warner Trophy stays on permanent display at the Indianapolis Motor Speedway Hall of Fame Museum. To give the winner and team owners a personal keepsake of their victory, BorgWarner established the BorgWarner Championship Driver's Trophy (also known as the "Baby Borg") in 1988 and the Borg-Warner Team Owner's Trophy in 1998. Both are sterling silver replicas of the Borg-Warner Trophy.

Deals aren't likely to come back until the end of this summer. Some experts are advising people to delay their purchases if they can.

"If you don't have to buy, wait until fall. If you lease a car, extend it," said Edmunds.com chief Jeremy Anwyl.

Consumers heard that message in May. U.S. auto sales were expected to be around 1 million cars and trucks, down 8 percent from April and 4 percent from last May.

Toyota Motor Corp. and Honda Motor Co. and Nissan Motor Co., all of which ran short of models due to parts shortages caused by the March 11 earthquake in Japan, had the biggest sales declines, with Toyota down 33 percent, Honda off 23 percent and Nissan off 9 percent compared with May of last year.

General Motors Corp. sales dropped 1.2 percent, as falling pickup truck sales offset strong sales of more fuel-efficient cars and crossovers. It was the same story at Ford Motor Co., which saw sales fall 2.4 percent for the month. Pickup sales dropped more than 10 percent at both companies.

Once again, small, compact and midsize car sales were up and truck sales were down because of high gas prices.

At Ford, where the F-Series pickup is traditionally the topselling vehicle in the U.S., fuel economy clearly was driving sales. For the first time in decades, the company sold more F-150s with V6 engines (55 percent) than it did with larger V8s.

Despite a raft of bad economic data in the past few days, automakers generally

"We caution against reading too much into the monthly data," she said.

Don Johnson, GM's vice president of sales, said consumers are taking a wait-andsee approach as gas prices fluctuate around \$4 per gallon (\$1.05 a liter). Construction remains weak, hurting truck sales.

Even so, Johnson feels consumer confidence over the long term remains strong and sees pent-up demand among drivers who kept their vehicles longer than usual during the recession. He expects sales and incentive spending to rise toward the end of the summer.

All things considered, we continue to believe the recovery remains on track," he said.

Automakers usually use the warmer months to cut deals and clear out old inventory to make way for new models in the fall. But this year, they don't have many of last year's models sitting around. Japanese automakers had to cut production after the earthquake and domestic automakers can't produce cars any faster. Automakers are also raising prices to make up for the higher price of steel and other commodities.

The car companies offered their lowest incentives in six years last month, according to Edmunds, spending an average of \$2,094 per vehicle on sweeteners such as rebates and low-interest loans. That's flat from April and nearly 20

ota began May with only days of sales. A 60-day supply is considered healthy.

As a result, the Prius, which is made in Japan, is now selling for 2 percent above the manufacturer's suggested retail price of \$23,250, a \$5,000 premium, according to Kelley Blue Book. Prior to the guake, it was selling for 1 to 2 per-

Big Three Automakers Supported June 6 D-Day

by Gerald Scott Editor

U.S. Auto Scene

"John has a long mustache, John has a long mustache."

Those were the actual code words broadcast by the BBC to the French underground and resistance fighters on the night before the June 6, 1944 D-Day invasion to alert the forces that the day of days, the Allied invasion under the code name of Operation Overlord, had finally arrived.

It might be noted that all three Detroit automakers contributed to supplying the invasion forces, but especially GM, which had produced its stalwart GMC 6x6 supply trucks as well as M4 Sherman tanks, some of which were produced by GM's Fisher Body unit.

Several movies, most recently including the Steven Spielberg / Tom Hanks effort, 'Saving Private Ryan," detailed the exploits of the troops involved in Overlord, which sought to turn back the tide of German fascism. which held Festung Europa (Fortress Europe) in its thrall prior to historic and magical day.

the arrival of Allied forces.

Note also, the famous photograph of Gen. Dwight D. Eisenhower inspiring the 101st airborne troops the night before the invasion. In that famous photograph, look for a dogface platoon leader with a No. 23 sign on his chest - he was a paratrooper from Saginaw, it might be known.

Yet another interesting anecdote from Overlord had to do with the crossword puzzle in a London newspaper just prior to the invasion.

By a strikingly notable coincidence, the puzzle used several of the invasion beach code names, such as Utah, Omaha, Gold, Juno and Sword, in the daily puzzle game's answers.

British intelligence, MI-5 (Military Intelligence, Section

5), even investigated the puzzle writer and found it to be just an extraordinary coincidence and not a case of German spies somehow sending coded wartime messages through a newspaper (as if).

By now, June 6 seems to be lost to the public memory, but it nonetheless remains an