

# Government's Bailout Loss Much Less Than Expected

By JULIE PACE  
Associated Press

WASHINGTON (AP) – The Obama administration said last week that the government will lose about \$14 billion in taxpayer funds from the bailout of the U.S. auto industry, a third of the loss officials had initially estimated.

In a report from the president's National Economic Council, officials said that figure is down from the 60 percent the Treasury Department originally estimated the government would lose following its \$80 billion bailout of Chrysler and General Motors in 2009.

The report's release coincides with the administration's efforts to tout the bailout's role in the revitalization of the U.S. auto industry after last week's announcement that Chrysler is repaying \$5.9 billion in U.S. loans and a \$1.7 billion loan from the Canadian government.

Those payments cover most of the federal bailout money that saved the company after it nearly ran out of cash and went through a government-led bankruptcy.

For Obama, the auto industry comeback is one of the few bright spots in an otherwise sluggish economic recovery. What's more, the auto industry has a big footprint in key presidential battleground states like Michigan, Ohio, Indiana and Missouri.

General Motors Co., which also went through bankruptcy, received a \$49.5 billion U.S. bailout. The federal government has lowered its equity stake in the company from 61 percent to 26.5 percent of GM after selling part of the stake in November.

Ford did not seek federal government assistance.

"In the last year, the Detroit Three have all gained market share, they have all added jobs and they have all shown the ability to make money,"

Ron Bloom, President Obama's top adviser on manufacturing, said in reference to the three U.S. carmakers.

Bloom declined to say when the government would sell its remaining stake in GM. The company's stock price fluctuated between \$29 and \$39 over the last two months.

The administration's decision to promote the industry and the role of the bailouts came on the same day the industry reported a falloff in May sales after an aggressive performance earlier this year.

General Motors' sales fell 1.2 percent as it offered fewer deals to customers and cut sales to rental car companies.

Ford sales fell 2.4 percent as strong sales of small cars were weighed down by lower sales of pickup trucks.

Still, Treasury Secretary Timothy Geithner said U.S. auto companies are now at the forefront of a comeback in American manufacturing.

"We cannot guarantee their

success, and at some point they may stumble. But we've given them a better shot," Geithner wrote in an opinion piece in *The Washington Post* last week.

"While we will not get back all of our investments in the industry, we will recover much more than most predicted, and far sooner," he wrote.

GM and Chrysler were on the verge of collapse in the final days of the Bush administration after Congress failed to approve an emergency loan package. The Bush administration gave the companies \$17.4 billion in loans and required them to develop a restructuring plan by mid-February 2009.

Obama's administration pumped billions more into the carmakers later that spring but won concessions from industry stakeholders, allowing it to push GM and Chrysler through bankruptcy court in the summer of 2009.

# OnStar Grabs Telematics Award – Its 9th Straight

DETROIT – OnStar won the Best Telematics Safety Technology Award from Telematics Update last week, the ninth consecutive year OnStar has received an International Telematics Update Award.

OnStar has accumulated 21 Telematics Update Awards in the program's nine-year history.

The ceremony, which was kicked off by Clear Channel's Ryan Seacrest, recognizes the most prominent and up-and-coming players in the industry in 10 telematics categories.

The Best Telematics Safety Technology award highlights OnStar's commitment to providing more than 6 million customers with unparalleled safety and security services. Since its inception, OnStar has deployed emergency services more than 1 million times, and receives nearly 2,500 Automatic Crash Response alerts monthly.

"We're thrilled that the telematics community has again recognized OnStar's unwavering commitment to providing drivers with a safety service they can rely on," said Linda Marshall, OnStar president.

"Our team makes a constant effort to not only enhance the safety of our customers, but also to help all drivers on the road and assist first responders in emergency situations.

"We thank the first responder community, who make the life-saving technology of OnStar a reality every day."

Last year, OnStar, in coordination with the General Motors Foundation, provided a \$500,000 grant to the International Center of Automotive Medicine at the University of Michigan Health System for research related to the prediction of injury severity after a crash.

Research being led by Dr. Stewart Wang, director of the University of Michigan Program for Injury Research and Education, uses OnStar crash data and hospital records, as well as first responder and police information to help improve the outcome for severe crash victims.

The awards precede the Telematics Detroit Conference, the biggest telematics-focused conference and exhibi-



The awards just keep piling up for the OnStar telematics unit.

tion of the year. Last week, Greg Ross, OnStar vice president of business extensions, will give a keynote speech where he will discuss OnStar FMV, the company's new retail product that can be installed in 90 million vehicles already on the road.

Launching later this summer, OnStar FMV will deliver OnStar's award-winning services to drivers of non-GM and older GM vehicles on the road.

It can be installed on most top-selling vehicles manufactured in the past 10 years, including vehicles from Ford, Toyota and Chrysler.

OnStar FM will be available at Best Buy and other consumer electronic retail locations. To check if your vehicle can support OnStar FMV, use the vehicle compatibility tool, which is also available at the OnStar Facebook page.

OnStar, a wholly owned subsidiary of General Motors, is the leading provider of connected safety and security solutions, value-added mobility services and advanced information technology.

Currently available on more than 40 MY 2011 GM models, OnStar soon will be available for installation on most other vehicles already on the road through local electronics retailers, including Best Buy.

The OnStar Mobile App is a recipient of the 2011 Edison Award for Best New Product in the Remote Driving Aids segment and OnStar Stolen Vehicle Slowdown is a recipient of the 2010 Edison Award for Best New Product in the Technology segment.

# Chrysler Models Visit Employees, Suppliers on Tour

AUBURN HILLS – Chrysler Group LLC employees, suppliers and affinity partners can check out the all-new and significantly refreshed lineup of 2011 models up close and personal during the 2011 Chrysler Road Tour, which kicked off last week.

There are 95 stops on this extensive 19-week tour, an exciting mobile marketing event that provides Chrysler Group employees and employees who work for Chrysler Group suppliers the opportunity to talk at their place of employment with product specialists about the 2011 Chrysler, Jeep, Dodge and Ram Truck models, as well as the 2012 Fiat 500 model.

"This is a terrific way to discover everything you want to know about our 2011 models without leaving work and in a no-pressure environment," said Reid Bigland, president and CEO of the Dodge Car Brand and head of U.S. Sales.

"After employees examine our new 2011 models in this unique mobile showroom experience, they can visit their local dealers to purchase or lease their favorite vehicle."

This fun-filled, one-day event includes vehicle demonstrations, complimentary food and beverages, prizes and event souvenirs. Further adding to the excitement, the tour includes a photo opportunity with Kurt Busch's No. 22 NASCAR Dodge Charger.

Where space allows it, employees also will have the opportunity to test drive select vehicles. The product specialists will explain special discount programs available to employees.

A list of local dealerships will be available at each stop so interested employees can visit their favorite Chrysler, Jeep, Dodge, Ram Truck dealership or Fiat Studio to make their purchase or take a test drive.

The stars of the 2011 Chrysler Road Tour are the vehicles that the automaker produces themselves – the freshest lineup in the industry, say Chrysler officials.

From loved and proven family haulers, such as the Chrysler Town & Country minivan and all-new Dodge Durango three-row SUV, to the rugged, muscular vehicles like the 1500 Ram pickup truck and all-new Jeep Grand Cherokee, the 2011 Chrysler Road Tour has a vehicle for every need.

Other models featured on this tour are the Chrysler 200 sedan, the star of the innovative "Imported from Detroit"



David Sowers, Head - Ram Truck Brand, unveiled the new 2011 Ram 1500 Express at the Dallas Auto Show.

Super Bowl television commercial, and the all-new Chrysler 300 premium sedan, with its award-winning iconic rear-wheel-drive proportions, elegantly sculptured body-side, and world-class craftsmanship and refinement.

The new 2012 Fiat 500, with its beautiful Italian styling, timeless functionality, efficient design and innovative

technology, is on this tour along with the all-new Dodge Charger muscle car and Jeep Wrangler Unlimited.

The tour opened last week at Continental Automotive Systems in Auburn Hills.

The stops last week included such well-known suppliers as Delphi, Valeo, HP Enterprise Services and Inteva Products.

# GM, Ford Treat Junior High Students To Some Tasty Automotive Eye Candy

by Christine Snyder  
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Tech Center News

A Corvette racecar, a custom Camaro and the Chevy Spark concept car were just some of the cars in the Malow Junior High parking lot June 7.

This little-known car show of GM and Ford's finest vehicles is a yearly tradition at Malow, thanks to the ministrations of its drafting teacher, Harry Istok.

"It's a reward on one side and on the other, I try to promote careers," said Istok.

Istok got the idea for the car show about five years ago and called GM for help.

"We had two or three cars out," said Istok, standing among more than a dozen of the OEMs' most eye-popping vehicles.

Ford got involved through Istok's son, Mike, a Ford engineer. "They (GM and Ford) have been supportive and every year it's grown bigger and bigger."

The cars come with OEM representatives, too, to talk to the students about automotive-related careers.

"As a teacher, my credibility only goes so far," said Istok. "It comes to a point where they need to hear it from an expert. Here they are."

This is the third consecutive year John Green, a GM superintendent who manages the Tech Center's rapid prototyping labs, has participated in the Malow car event.

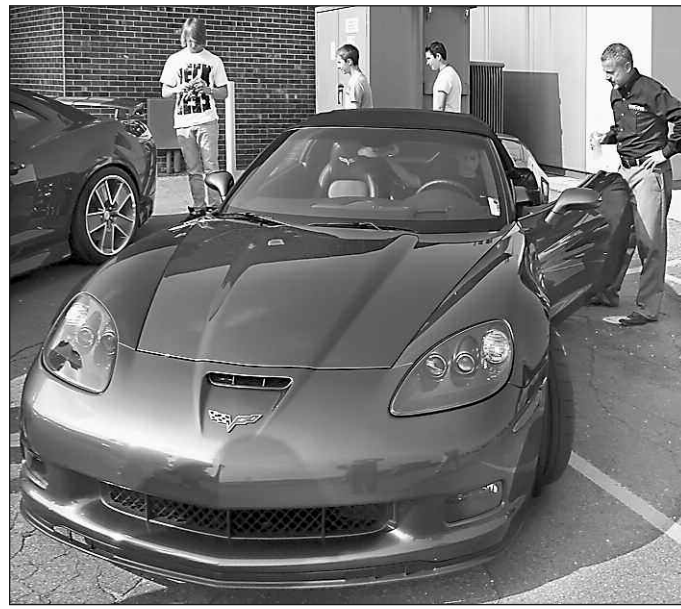
"General Motors looks forward to supporting community education events," said Green. "It's important for us to support the youth and give them a chance to see some of the technology that's put into these new cars."

"Also, it gives them a possible thought path of someday working in the (automotive) field. (That's) certainly a great opportunity in itself."

Green said he has an added interest in coming to the school – his son, Jonathon, is



Students at Malow Jr. High School check out the interior of this Camaro during auto display day activities.



GM's John Green, right, describes the interior of this Corvette to students from Malow Jr. High in Shelby Township.

an eighth-grader at Malow.

"It's because of a program like this . . . he gets a chance to look at these cars and gets an opportunity to make a decision in his life," said Green.

Istok said that, while it's a fun event, he uses it to reward students at the end of the school year for their hard

work. He started it because of his worry that the U.S. is falling behind in STEM (science, technology, engineering and mathematics) related careers.

"The rest of the world is catching up to us and in some cases passing us up," said Istok.

# Ford 'Crew Chief' System Is Proving to be Efficient

DEARBORN – Ford continues to use technology in a powerful way to connect with its consumers and constituents.

Most recently, users of Ford Crew Chief powered by Telogis are improving fuel efficiency for their fleets by up to 20 percent through better management of vehicle diagnostics, location and driver behavior.

Crew Chief was developed by Ford Motor Company in response to commercial customer demand for a system that would allow fleet managers to monitor the location of the trucks in their fleets. To help managers improve the fleet operation even further, Ford developed a system that reports vehicle diagnostics along with driver behavior.

"Driver behavior has so much influence on not only fuel efficiency but on the overall maintenance and life of a vehicle," said Bill Frykman, Ford Work Solutions product and business development manager.

"The U.S. Department of Energy reports that aggressive driving decreases fuel economy by up to 33 percent. With Crew Chief, Ford is deploying smart technology to deliver green driving results."

The average vehicle crash costs an employer \$16,500, according to the U.S. Department of Labor.

When a worker has an on-the-job crash that results in injury, the cost to the employer averages \$74,000. With its alerts for safety belt status and aggressive driving, Crew Chief can play a significant role in helping improve safe driving behavior.

Crew Chief works by receiving information from the engine computer. What makes Crew Chief powered by Telo-

gis different from competitors is that no other system can access proprietary Ford data, Frykman said.

Crew Chief equipment is mounted under the dash and out of sight. The system can be factory- or dealer-installed, and once installed, automatically engages every time the vehicle is used. No driver interaction is required.

Data is collected, transmitted wirelessly and displayed on a simple-to-use, Web-based interface that is accessible only to the fleet manager. Aliso Viejo, Calif.-based Telogis, Inc. provides the telematics software for Crew Chief. Through their platform, data is collected, transmitted wirelessly and displayed on a simple-to-use, Web-based interface that is accessible to fleet operators.

Ford offers customers for Crew Chief powered by Telogis a range of exclusive benefits, including alerts and reports for safety belt status, oil life remaining, water-in-diesel, tire pressure and air bag status. Other information collected centers on three specific areas:

- Vehicle location. The system allows fleet managers to watch from a remote location as fleet vehicles travel from stop to stop. One fleet manager using Crew Chief found a fleet vehicle being used to run a side delivery business during regular business hours, Frykman said.

- Driver performance. Information includes safety belt usage status, if a vehicle is starting and stopping harshly, if a vehicle is being used outside of business operating hours, if a vehicle is being used outside of designated areas, and if excess idling and speeding is happening.