

Governor Eyes \$3 Billion in New State Investments

By JOHN FLESHER
Associated Press

MACKINAC ISLAND, Mich. (AP) – Loans and spending pledged by large companies and government agencies will generate \$3 billion in Michigan economic activity over the next several years, Gov. Rick Snyder and business executives said at the recent Mackinac Conference.

The governor and heads of several companies described the planned transactions as part of an initiative to enlarge the pool of investment capital in Michigan and encourage Michigan businesses to buy more goods and services from each other, while also stepping up exports.

The initiatives are part of the Pure Michigan Business Connect program, meant to convey the message that “this is the place for capital to come, for capital to be invested, for capital to succeed,” Snyder said.

Among the pledges were \$2 billion in loans from Huntington National Bank to Michigan businesses over the next four years, plus \$250 million in pur-

chases of goods and services from Michigan-based suppliers by both Consumers Energy and DTE Energy.

A private investment group called Stage 2 Innovations, led by former Chrysler CEO Tom LaSorda, kicked in \$100 million for “second stage” businesses – those that have advanced beyond the startup level but are still young.

Federal and state agencies are taking part as well. The Michigan Economic Development Corp., a public-private partnership, is offering \$100 million in economic incentives to partially replace programs that previously funded ventures such as redevelopment of contaminated sites and historic tax credits.

The state also has secured a \$80 million federal grant that will leverage \$800 million in bank loans for Michigan businesses.

Also, the U.S. Export-Import Bank intends to boost its investment deals with small businesses in Michigan, reaching \$187 million by 2015 – more than double the \$75 million provided in 2009.

Snyder said other compa-

nies or agencies were welcome to join the program by pledging business financing or purchases of Michigan goods.

“And if you’re a small business... here are potential financial resources that are good free-market tools for you to help be more successful,” Snyder said during a news conference at the Detroit Regional Chamber’s annual Mackinac Policy Conference.

Huntington’s loans will be made to businesses around the state, President and CEO Steve Steinour said. The Columbus, Ohio-based bank company has boosted its Michigan employment by 40 percent over the past 15 months and plans further growth, he said.

“We want to be part of Michigan as a growth story, to be part of this exciting economic recovery and expansion that’s going on here,” he said.

Russell said Consumers already had implemented a new purchasing policy that would make it easier for Michigan companies to sell their products to the electric power company.

“Our future is tied to Michi-

gan’s future,” he said.

DTE already spends about \$500 million a year in Michigan – about 40 percent of its total purchasing – and has been trying to do more since the economic downturn began, Anderson said. After fulfilling its new commitment, the company’s in-state buying rate will be about 60 percent, he said.

“Companies can’t afford to make this a charitable activity but if you look hard in the state, you can find companies who can compete on costs and quality,” Anderson said. “It sometimes takes more work to search those companies out and connect them to your business, but we learned over the past few years that it can be done.”

The commitments – especially from Huntington Bank – are a hopeful sign for businesses that have struggled to obtain capital for startups and expansions during the recession, said Rob Fowler, president of the Small Business Association of Michigan.

“I think there’s a pent-up waiting for the time to be right,” Fowler said.

TRW to Demonstrate Airbags at Safety Conference

WASHINGTON, D.C. – TRW Automotive Holdings Corp. has developed a range of curtain airbag technologies that help mitigate the risk of occupant ejection.

Norbert Kagerer, vice president of TRW’s Occupant Safety Systems business, said, “The recent U.S. legislation regarding occupant ejection mitigation underscores the importance of a number of airbag technologies designed to help keep occupants inside the vehicle.”

“For example, TRW has developed one-piece woven (OPW) curtain designs that include the unique X-Tether technology. Due to this advanced design approach, the stiffness of the inflated bag cushion can be increased to mitigate the risk of occupant ejection.”

Based on TRW’s X-Tether OPW cushion technology, the

inflated chambers of side curtain airbags will be designed in a seamless way, allowing the curtain airbags to be easily tailored to specific vehicle geometries.

Other key enablers include technologies such as cold gas and hybrid inflators that, when combined with advanced bag coatings, can assist in keeping the curtain airbags inflated for several seconds.

TRW will be demonstrating its automotive safety solutions, including its curtain airbags with X-Tether technology to assist in mitigating occupant ejection, at the 22nd annual Enhanced Safety of Vehicles Conference (ESV) in Washington, D.C.

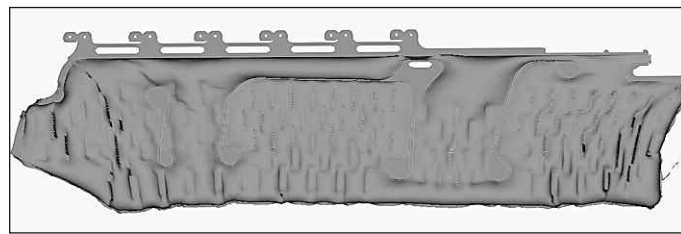
The conference, held June 13-16, is sponsored by the National Highway Traffic Safety Administration (NHTSA) and is one of the world’s premier events in the field of motor ve-

hicle safety research.

With sales picking up again in North America, technology supplied by vendors such as TRW is seen as critical in keeping the domestic OEMs competitive on the safety front in terms of global competition.

Also, with 2010 sales of \$14.4 billion, TRW Automotive ranks among the world’s leading automotive suppliers and vendors.

Headquartered in Livonia,



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Ford Working to Produce Vehicles That Communicate

CONTINUED FROM PAGE 1

a common communication standard that is needed to support global vehicle platforms and to develop reliable, cost-effective wireless systems.

Intelligent vehicles potentially could help in preventing 81 percent of all police-reported light-vehicle target crashes involving unimpaired drivers, according to a National Highway Traffic Safety Administration (NHTSA) report.

Traffic congestion continues to worsen in American cities, annually wasting nearly 3.9 billion gallons of fuel, according to the Texas Transportation Institute’s (TTI) 2010 Urban Mobility Report; that figure is likely higher today due to higher costs of fuel.

Ford Motor Company is hosting Europe’s most influential safety leaders to discuss how to bring intelligent vehicle technology to global customers quicker and more affordably.

Ford is leading research and working with automakers and safety leaders globally on a standardized platform for the advanced wireless systems that can allow vehicles to “talk” to each other to reduce crashes and congestion. Dr. Seock toured Ford’s Research and Innovation Center in Dearborn and participated in discussions centered on intelligent vehicle research and other advanced safety technologies the company plans to introduce globally.

“Intelligent vehicle technology has the potential to significantly reduce crashes. We want to work with Ford and others who are leading development of this technology to harmonize the underlying standards and requirements on a global level,” said Seock.

Ford researchers are developing advanced crash avoidance systems that use GPS technologies and advanced Wi-Fi signals, or dedicated short-range communications, on a secured channel allocated by the Federal Communications Commission to create intelligent vehicles that com-

municate with each other in traffic and help drivers avoid or mitigate crashes.

In addition to serving as president of Euro NCAP, Seock also is head of Vehicle Technology with the German Federal Highway Research Institute (BAST).

“Dr. Seock has strong influence on safety globally, so we are excited to work with him on this next frontier of safety,” said Jim Vondale, director, Ford Automotive Safety Office.

“Ford has been a pioneer in safety technology for many decades. Now we are leading the development of crash avoidance technologies, including our intelligent vehicle research, to help drivers avoid crashes in the first place.”

Ford led the industry in developing new safety technologies, including seat belts in the 1950s, airbags in the 1980s and today with the industry’s first rear inflatable safety belts to help protect occupants in crashes.

In the U.S., this public-private partnership will include the world’s first government-sponsored driving clinics beginning in summer 2011, for which Ford will contribute two prototype Ford Taurus sedans.

The U.S. Department of Transportation (DOT) Intelligent Transportation Systems (ITS) Joint Programs Office will sponsor the research conducted by a coalition of automakers organized by the Crash Avoidance Metrics Partnership (CAMP), which is a joint research group founded by Ford and General Motors.

The partnership is working to develop inter-operability standards in advance of completing the research phase in 2013.

In Germany, Ford is collaborating on a wireless research project with other automakers and the government in an effort to address congestion-related traffic safety issues.

The Safe and Intelligent Mobility-Test Field Germany research project, which runs through 2012, is a 400-vehicle

field test to evaluate feasibility and scalability of wireless systems in the real world.

“We must develop these ITS standards now while the technology is being researched and developed or we will end up with a variety of standards and vehicles that cannot talk to each other from region to region,” Vondale said.

“Failure to develop globally harmonized standards would delay deployment, decrease reliability and unnecessarily increase costs.”

Vondale has been appointed by U.S. Transportation Secretary Ray LaHood to represent automakers on the ITS Program Advisory Committee.

Mike Shulman, technical leader, Ford Research and Innovation, leads the government-industry technical partnership as program manager for CAMP.

After a decade of research, Ford announced earlier this year an accelerated development of its intelligent vehicle work, doubling its research investment and convening a new 20-member task force – consisting of company planners, engineers and scientists from around the world with expertise in safety, eco-mobility, infotainment and driver conveniences.

The goal is to define the next 10 years of safety, convenience and driver assistance, and strengthen the company’s position as the global industry leader in connected vehicle technology.

“While there are challenges ahead, the foundation of these smarter vehicles is advanced versions of technologies that are pervasive – Wi-Fi and crash avoidance systems that Ford has pioneered in mainstream vehicles today,” said Paul Mascarenas, Chief Technical Officer and vice president, Ford Research and Innovation.

“Intelligent vehicles could help warn drivers of numerous potential dangers such as a car running a red light but blocked from the view of a driver properly entering the intersection.”

The Wi-Fi-based radio sys-

tem allows full-range, 360-degree detection of potentially dangerous situations, such as when a driver’s vision is obstructed.

For example, drivers could be alerted if their vehicle is on path to collide with another vehicle at an intersection, when a vehicle ahead stops or slows suddenly or when a traffic pattern changes on a busy highway.

The systems also could warn drivers if there is a risk of collision when changing lanes, approaching a stationary or parked vehicle, or if another driver loses control.

By reducing crashes, intelligent vehicles could ease traffic delays, which would save drivers both time and fuel costs.

Congestion also could be avoided through a network of intelligent vehicles and infrastructure that would process real-time traffic and road information and allow drivers to choose less congested routes.

According to TTI’s 2010 Urban Mobility Report, traffic congestion continues to worsen in American cities of all sizes, annually wasting nearly 3.9 billion gallons of fuel in 2009 and costing the average Los Angeles commuter \$1,464. Leading factors in traffic delays are caused by accidents, breakdowns and road debris, TTI maintains.

“We are not far from the day when vehicles will operate like mobile devices with four wheels, constantly exchanging information and communicating with our environment to do things like shorten commute times, improve fuel economy and generally help us more easily navigate life on the road,” said Mascarenas.

“A smart network of intelligent vehicles has the potential to benefit drivers in many ways.”

Modern vehicles that communicate with each other, as well as the environment, has been the stuff of science fiction since the late 19th century. But with today’s improvements, science fiction lately is on its way to becoming science fact.

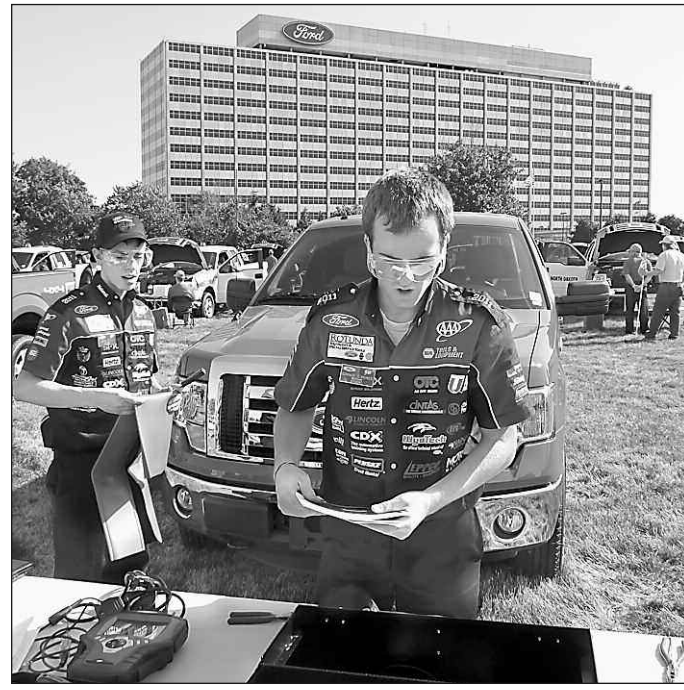


PHOTO: GERALD SCOTT

A high school team works to debug its 2011 Ford F-150 pickup truck during the Ford/AAA Auto Skills competition in Dearborn last week. All the entries worked on identically “bugged” F-150s.

Auto Skills Teens from 50 States Gather in Dearborn for Final Test

CONTINUED FROM PAGE 1

“In an economy in which drivers are looking to extend the lives of their cars through maintenance and repair, the need for skilled automotive technicians continues to be strong. We saw 100 of the very best and brightest young automotive technicians in action today,” said Marshall L. Doney, AAA vice president, Automotive.

“For more than six decades, the Ford/AAA Student Auto Skills competition has helped fund advanced automotive education for promising students and continues to prepare these future professionals for careers in the automotive industry.”

Students involved say that besides being a productive place to express their mechanical and auto-electric aptitude, being an automotive tech, even an entry-level worker, can be quite lucrative.

Many, if not most, new car

dealer positions for entry level auto tech offer higher pay and better benefits than, say, a comparable entry level job that requires a four-year college degree.

Note that a pool of nearly 10,000 junior and senior automotive tech students started the journey to the National Finals in Dearborn with an online exam in March.

The highest scorers advanced to their states’ hands-on competition (Michigan’s was held at Macomb College in Warren one month ago), with top teams from each state competing in the National Finals.

The winning team was the Oregon entry of Matthew Saunders and Drew Torrey from Vale High School in Vale, Ore., which earned the title of “America’s Best Student Auto Technicians.”

Finishing 10th was the Michigan entry, which included Connor Jennings and Derek Reyst of Saline High School.

Ford Breaks Ground on New China Engine Plant

CHONGQING – Ford Motor Co.’s passenger car joint venture in China – Changan Ford Mazda Automobile (CFMA), broke ground last week for a new, state-of-the-art engine plant in Chongqing.

The \$500 million investment will more than double CFMA’s annual engine production capacity in China to 750,000 units when it comes online in 2013. These engines will equip Ford-brand vehicles manufactured and sold in the country.

“Today’s ground-breaking ceremony represents yet another milestone in Ford’s accelerated expansion plan for China. This plan reinforces our commitment to aggressively grow the Ford brand in China and offer a full range of exciting, fuel-efficient vehicles to Chinese customers,” said Joe Hinrichs, president of Ford Asia Pacific and Africa, and chairman and CEO of Ford China.

Chongqing Mayor Huang Qifan, together with other high-ranking Chongqing offi-

cials, attended the ceremony at the engine plant site in Chongqing’s Liangjiang New Area – the only national-level development zone located in western China.

The new engine plant represents one of several new investments that Ford has made to support its aggressive expansion plan in China.

Last July, Ford’s commercial vehicle partner in China, Jiangling Motors Corp. (JMC), broke ground for anew \$300 million vehicle assembly plant in Nanchang.

JMC produces the Ford Transit, a leader in China’s light bus segment.

In April of this year, Ford announced that it will bring 15 new vehicles to China by 2015. These products will strengthen Ford’s position in existing segments while driving new growth in others.

In addition, Ford signed an MOU in May to build its first transmission plant in the country, also in Chongqing, with an initial capacity of up to 400,000 units.

Ford Adds 17 Suppliers to ‘List’

DEARBORN – Ford Motor Co. is expanding its preferred supplier network into new areas by adding 17 parts and service providers to the Aligned Business Framework (ABF).

The new ABF companies come form a variety of industries, including roadside assistance and contact center services, roof system manufacturers, and powertrain and interior component firms.

With the latest additions, Ford now has 102 companies in its ABF network of suppliers chosen for close collaboration over the course of long-term relationships.

“Our ABF companies represent the backbone of Ford’s global supply network,” said Tony Brown, group vice president, Ford Global Purchasing.

“As we add new companies each year, we are building a core group of suppliers that are integral to carrying out the One Ford plan of profitable growth for all – including our suppliers.”

The ABF was launched in September, 2005. Ford has built the network into a diverse group of suppliers that

are playing a key role in its global sourcing plans, helping improve Ford quality and lower development and production costs.

With the new additions, Ford now has 76 production and 26 nonproduction companies in the ABF network.

The new companies include Asahi Glass Co. Ltd., Tokyo; Blue Hive, London; Diversified Machine, Inc., Wixom, Mich.; Inalfa Roof Systems, Netherlands; MSX International, Warren, Mich.; and Percepta, Dearborn, Mich., among many others.

As Ford brings more vehicles to market from global platforms, it is increasing the use of common parts and suppliers.

For example, 80 percent of the parts on the new Ford Focus are common around the world, while 75 percent of the suppliers are the same wherever the car is built.

ABF is also paying off for suppliers. Last year, 55 percent of Ford’s production sourcing came from ABF companies, up from 49 percent in 2009 and 34 percent back in 2006.