GM Chairman Akerson on the Chevrolet Volt: 'The Car Is Safe'

By TOM KRISHER and DEE-ANN DURBIN **AP Auto Writers**

NEW YORK (AP) - Dan Akerson is hardly a corporate diplomat.

The chairman and chief executive at General Motors Co. says publicly what other CEOs say in private: he disses competitors' cars and laments his company's lumbering bureaucracy.

He's told reporters that Ford should "sprinkle holy water" on its troubled Lincoln luxury brand, and has called Toyota's Prius hybrid a "geekmobile." His candor often rat-GM's public relations tles staff.

And you know what makes him really mad?

"There is a resistance to change" at GM, Akerson recently told The Associated Press.

By all accounts, though, the auto giant is moving at a faster pace under his leadership as he tries to overcome some of the company's bureaucratic resistance that lasted even past GM's corporate bankruptcy in 2009.

For Akerson, who took the CEO job 15 months ago, the work has just begun, and it gone totally as hasn't planned. He's being tested by a federal investigation into Chevrolet Volt battery fires that broke out seven or more days after government crash tests. Leaking battery coolant likely caused the fires. He's also grappling to fix GM's highcost European operations, which are losing money.

The U.S. Naval Academy graduate, who grew up in Minnesota, admits he knew little about cars in the beginning. But now he speaks with authority on everything from transmissions to batteries.

Akerson spoke with The Associated Press in New York about the car industry, the economy, his management style and the future of electric cars. Excerpts appear below, edited for length and clarity.

Q: Would you recall all 6,000 Volts to strengthen the battery?

A: If we find that is the solution, we will retrofit every one of them. By the way, if someone wants to sell it back to us now, we'll take that, too. We're

a solution. Q: Do you think the news

about the Chevy Volt will harm sales of electric vehicles? A: This car is safe. There is

nothing happening immediately after the crash. I think in the interest of General Motors, the industry, the electrification of the car, it's better to get it right now, when you have 6.000 – instead of 60,000 or 600,000 - cars on the road. We're not the only car company that has liquid-cooled batteries out there. There are many. (GM has said no Volts have caught fire in real-world crashes.)

Q: Are you moving past the early technology adopters on the Volt at this point, or has any data surprised you on who is actually buying this vehicle?

A: The average purchaser of a Volt is earning \$170,000 a year. About a third of the customers haven't been in a Chevy store in more than five years and half have never been in there. They aren't just early adopters.

roughly half – are either Prius It's our interesting past. ... I or BMW owners. So one, you don't want to obsess on it, but make decisions. They were to meet the market.

the olden days, but that's kind of passed through. But BMW people want styling, good design, and an innovative powertrain, or power source, and I think Volt is a game-changer.

Q: When are we going to see the electric car as the typical family car?

A: We want to ramp Volt production to roughly 60,000 in 2012. I think Prius in its second year did a lot less than that, half. By this summer, we will (be in) what I call the second generation, where we will achieve certain scale and we should see an appreciable drop in the cost of the production of the Volt.

O: How has the corporate culture changed at GM since you joined the board?

A: I would say, objectively, having been in the company in one form or another now for almost two-and-a-half years, that 90 percent of what we did was good. There is tremendous commitment and loyalty to this company.

Recognize what went wrong, learn from it, move on. Some of them – I think I can't change the bankruptcy.

probably early adopters in that's the mantra that we have as a team. So I would say they we're making good progress. I'm trying to move off the 39th floor. I want to move to the second floor, down with the real people. So, in many ways, we're trying to change the culture

magic wand, what two things would you change at GM right now?

A: I want a miracle solution on Volt in the next week. That's not going to happen. On a more serious note, it all starts and it ends with product. I want sustainable, differentiable product. The generation (of vehicles) that you see for the consuming public today is not just competitive, it's very competitive. We're holding our own. We're taking share. We're profiting.

The second thing is, we've got to make sure that the culture evolves to one that's less hierarchal, flatter, more interactive, more participative. 30,000 people in the company, are we going to do? Say, "Well, we had 20,000 people who we don't want to sell anything thought they were running other than economy and the place. They wanted to small cars?" No, we're going

quite confident that we'll find could say Prius owners were I want to learn from it. And proactive. They were angry with senior management if didn't move quick enough. And we need to instill that, a culture like that - that leans forward all the time rather than leans back.

Q: What makes you the maddest as a CEO?

A: There is a resistance to Q: If you could wave a change. Every corporation has to change, or it dies. You lose your competitive edge. . . at the end of the day, you have to create a culture that not only accepts change but

seeks out how to change. Q: With gas around \$3 a gallon in the U.S., are people going to start going back to buying SUVs and trucks?

A: I was really amazed when gas spiked earlier this year and then it dropped 15 cents, and our pickup sales picked right back up. We've got to be prepared for everything. So from midsize down to compact (vehicles), we're going to be really good on mileage and on economy, and that's good. At the same time, if our cus-When I was at MCI, if we had tomers want bigger cars, what

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GM Praised by EPA, Saves \$50M in Energy Costs

DETROIT – General Motors has cut energy intensity at 30 North American plants by an average of 25 percent - equivalent to the emissions from powering 97,000 U.S. homes to meet the U.S. Environmental Protection Agency's Energy Star Challenge for Industry.

Collectively, the manufacturing facilities avoided more than 778,380 metric tons of greenhouse gas. It would require the planting of 20 million trees that grow for 10 years to mitigate the same amount.

And the efforts saved GM \$50 million in energy costs.

EPA's program challenges manufacturing companies to reduce greenhouse gas emissions by improving their energy efficiency by 10 percent within five years.

The GM plants agreed to establish an energy intensity baseline normalized by production volume. They set a 10 percent improvement goal, implemented energy efficiency projects, tracked energy use and verified savings.

"EPA congratulates GM for achieving these important energy efficiency improvements," said Jean Lupinacci, chief of the ENERGY STAR Commercial and Industrial Program. "Energy efficiency can deliver significant financial and environmental benefits, and we look forward to GM's continued leadership and partnership with ENERGY STAR.'

To achieve the challenge, GM employed tactics such as benchmarking energy use through energy management strong business case - these

down of equipment; and upgrading to energy-efficient lighting and more efficient heating and cooling systems.

The achievements follow the Lansing (Mich.) Delta Township plant receiving EPA Energy Star Certification for performing in the top 25th percentile of similar facilities nationwide.

Worldwide, GM is committed to reducing emissions and petroleum dependence by being more energy efficient.

'GM employees at all levels help us reduce energy use and be more efficient throughout our operations," said Mike Robinson, GM vice president of Sustainability and Global Regulatory Affairs. "With this also comes a

systems; automating shut- improvements saved us \$50 million, which helps make the company more competitive."

GM's 30 plants represent nearly a third of all sites that have achieved the ENERGY STAR Challenge for Industry.

According to the EPA, 86 of the 386 manufacturing sites that have taken the challenge have met the goal to date, improving their energy efficiency by 10 percent or more.

Former Ford Chief Engineer Is Named VP At EcoMotors

ALLEN PARK, Mich. - Eco-Motors has named Les Ryder its vice president of engineering.

Ryder worked for nearly 30 years at Ford Motor Company in engine development and manufacturing, with his most recent role being Chief Engine Engineer. His long career gave him broad experience in bringing engines into production.

"As EcoMotors grows and we move the opoc engine toward production, we are very fortunate to attract an executive of Les' stature and reputation to our company," said Don Runkle, EcoMotors CEO.





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Les brings tremendous expansion and depth to our strength and experience in production engines.

"Also, having Les on board will allow Prof. Hofbauer, our chairman and chief technology officer, to focus more energy developing our gasoline engine and to keeping our pipeline filled with other advanced propulsion system products.

During his long tenure at Ford, Ryder worked in virtually all aspects of engine development and production.

He started as a design and development engineer, became a manager in manufacturing engineering, where he developed and implemented engine manufacturing plans and processes, then a manager in engine component design and production implementation.

His next assignment was in research and advanced powertrain engineering, where his managerial responsibilities included the identification and development of powertrain technologies to meet future emissions and fuel economy requirements.

In his last years at Ford, Ryder rose to the position of chief engineer, where he was responsible for design and performance development of all Ford engines in North America.

From Ford, Ryder moved to Roush Technologies, where he was director of advanced powertrain engineering. He begins his position at EcoMotors early in 2012.

A graduate of the University of Wisconsin, Ryder began his engineering career at the Environmental Protection Agency working on emission control technology.