

Detroit Auto Scene®

THE OLDEST FREE NEWSPAPER IN THE UNITED STATES

VOL. 80 NO. 29

"FIRST IN THE HEART OF DETROIT SINCE 1933" NEW CENTER NEWS

JULY 30, 2012

Despite Economy, U.S. on Track for 14M Auto Sales

By Gerald Scott

Weekly and monthly new car sales trends, and other indicators, suggest that in spite of ongoing economic struggles domestically and abroad, the U.S. car market is nonetheless on track to realize a 14-million-unit year.

In fact, new vehicle sales are projected to hit 14 million seasonally adjusted annual rate (SAAR) in July, 2012, consistent with the 14.3 million average pace maintained through the first half of the year, according to Kelley Blue Book, a leading provider of new and used car information nationally.

Meanwhile, KBB says that the daily selling rate is projected to top 48,300 light-vehicle sales per day, which is better than last month's 47,500-sales-per-day rate and nearly 19 percent above the July, 2011, pace, back when sales were still suppressed by inventory shortages.

"Mid-size cars remain the top-selling segment in July,"

said Alex Gutierrez, senior market analyst with KBB.

"The segment only stands to push industry sales further later this year when the hotly anticipated redesigns of the Honda Accord, Ford Fusion and Chevrolet Malibu arrive at dealerships."

Note that new car sales are still expected to top 14.2 million units overall in 2012, despite a recent slowing in the U.S. economic recovery in recent months.

This assumes consumer demand remains strong enough to overcome the gradually

worsening economic picture.

But still, given that two of the Big Three automakers declared corporate bankruptcy in 2009 and that the U.S. economic recovery since then has occurred in fits and starts at best, well, the Detroit auto industry for one would sure

welcome a 14-million-unit car sales year, you bet.

Said Gutierrez, "Consumers had even more options to choose from last month as the highly anticipated, all-new 2013 Nissan Altima, Ford Escape and Dodge Dart went on sale for the first time. These

vehicles have received favorable reviews thus far and only add to an already-robust selection of strong redesigns and introductions from nearly every manufacturer across all product categories that have hit (domestic) showrooms in the last few years."

Restaurants, Retailers Gear Up Along Woodward

By Gerald Scott

Here's a cool coincidence, just in time for the 2012 Woodward Dream Cruise, scheduled for Aug. 18.

Mike Papa, owner of the Vinsetta Grill on Woodward Ave. just north of 11 Mile Road in Royal Oak, recently bought a Chevrolet Volt and he loves it.

"I was tired of paying \$100 a week in gas for my truck," Papa said. "I went into Serra (Chevrolet) just to shop and walked out with the car. But I love it.

"I pay \$360 a month on

lease and the money I save on gas weekly (by driving on the electric charge) pays for the car, actually. The car's solid, I really like it."

Papa's story is notable because here comes the 2012 Dream Cruise on Aug. 18, an annual event that celebrates high horsepower and cars from the 1950s, '60s and '70s where gasoline consumption was never an issue.

Otherwise, a recent motor tour of the major restaurants up and down Woodward as it runs north from Royal Oak into Birmingham, West Bloomfield and eventually Pontiac

shows that restaurants and retailers like Papa's Vinsetta Grill are generally preparing and getting ready for this year's main event.

After all, any event that gathers 1.5 million people and 50,000 or more cruiser cars up and down Woodward, resident retailers have to be ready for the proverbial onslaught of auto-themed humanity on that day.

A visit with a dozen of the popular restaurants up and down Woodward reveals that most actually maintain first-



Mike Papa of the Vinsetta Grill takes it in stride, loves his Volt.

CONTINUED ON PAGE 2

Lee Named V-P, GM Global Mfg.

DETROIT/SHANGHAI - General Motors has announced a realignment of its manufacturing organization, saying the move will optimize the company's global manufacturing footprint and drive greater efficiencies and cost savings.

Tim Lee becomes GM vice president, Global Manufacturing, effective immediately.

CONTINUED ON PAGE 2



The Ford "Red Tails" edition of the Mustang GT.

Mustang Honors Tuskegee Airmen

DEARBORN - The engineering and design teams at Ford Motor Co. have produced a truly unique "Red Tails" edition 2013 Ford Mustang GT.

The car was sold at the Gathering of Eagles charity auction July 26 during the Experimental Aircraft Association (EAA) AirVenture Oshkosh 2012 - the World's Greatest Aviation Celebration.

All proceeds from the car donation and sale will benefit the EAA Young Eagles pro-

gram, which has provided free introductory flights to more than 1.6 million young people since 1992, helping inspire and motivate the next generation of leaders, aviators and innovators, say EAA officials.

Ford is the exclusive automotive partner of EAA AirVenture Oshkosh, which was held July 23-29 at Wittman Regional Airport in Oshkosh, Wis.

CONTINUED ON PAGE 2

First Cadillac ATS - 'Car with Big Mission' - Built

DETROIT - The first 2013 Cadillac ATS compact luxury sport sedan intended for public sale was built last week at the Lansing Grand River assembly plant in Michigan, culminating a massive design and development project.

Arriving in U.S. dealerships in August, ATS is Cadillac's all-new entry into the most significant global luxury segment, featuring a new rear-wheel-drive-based architecture targeting nimble, quick and fun driving performance.

Cadillac's Lansing Grand River plant, also the production site for the CTS Sedan, Wagon and Coupe and V-Series performance models of

each, underwent a \$190 million upgrade for ATS production. A second shift was added, creating or retaining 600 jobs.

In total, the award-winning plant that opened in 2001 now has 1,643 salaried and hourly employees.

"The new Cadillac ATS represents an investment in Lansing and our workforce," said Tony Francavilla, Lansing regional plant manager.

"A successful launch needs a great process and a great product, but at the heart of it all are the people, and the care they put into each and every vehicle."

The ATS expands Cadillac

into the highest-volume category in the luxury automotive industry. Following the initial start of production in Lansing, distribution to U.S. dealerships will begin in August. Exports to international markets will begin later this year.

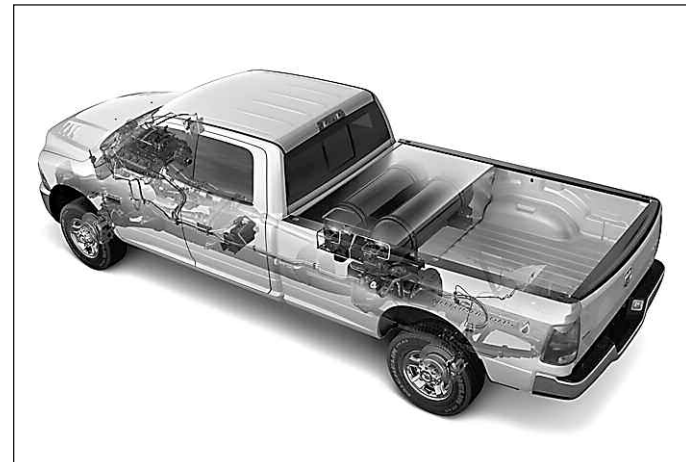
"This is a car with a big mission, and it's been comprehensively prepared for that mission," said Don Butler, vice president of Cadillac Marketing.

"The new-from-the-ground-up ATS creates a new entry-way into the Cadillac brand for luxury car drivers, and a compelling new challenger to the status quo among the top luxury sport sedans."

The all-new ATS was custom-built using a new lightweight vehicle architecture featuring advanced materials and techniques to ensure precise driving dynamics.

ATS includes a host of exclusive advanced-tech features, including Magnetic Ride Control, the Safety Alert Seat, and CUE, a new in-car user experience for connectivity and control using industry-first capacitive touch and natural voice recognition systems.

The ATS hit the airwaves during the television broadcast of the Opening Ceremonies of the Summer Olympics last Friday.



Bi-fuel compressed natural gas (CNG) Ram 2500 pickup truck.

Modlin Appears Before Senate On Alternative-Fuel Vehicles

Here are some abbreviated remarks made by Reg Modlin, Director of Regulatory Affairs at Chrysler to the Senate Committee on Energy and Natural Resources last week in Washington, D.C.

"I am responsible for overseeing the product environmental and safety regulatory planning activities for the company," Modlin said.

"Chairman Bingaman, it was a pleasure talking with you about natural gas and natural gas vehicles during Chrysler's ride-and-drive held here in Washington in June.

"During the ride-and-drive, we featured our bi-fuel compressed natural gas (CNG) Ram 2500 pickup truck.

"Chrysler appreciates your committee holding this hearing because transportation fuels, particularly alternative fuels such as natural gas, play an important role in Chrysler's strategy for regulatory compliance and reduction of greenhouse gas (GHG) emissions.

"Chrysler supports a goal to reduce transportation greenhouse gas emissions by 80 percent by 2050. The use of alternative fuels, such as natural gas, plays a significant role in achieving that goal.

"The plentiful supply of natural gas in the United States can reduce the country's dependence on petroleum-based transportation fuels, enhance the nation's energy security,

and reduce greenhouse gas and smog-forming emissions. "As an automobile manufacturer, Chrysler's goal is to fulfill our customers' needs with regard to vehicle performance, utility, safety, styling, comfort, and affordability.

"We create customer value by providing a diverse portfolio of vehicle technologies that enable customers to choose the best package to fit their needs.

"Fuel choice between gasoline, diesel, ethanol, electricity, and natural gas is one important option considered by a customer. Vehicle range between refueling, fuel cost, and convenient refueling infrastructure are related to a customer's fuel choice.

"In the more recent past, customers have not embraced natural-gas-powered vehicles for a variety of reasons, including higher initial vehicle cost, inability to conveniently refuel, and fuel price volatility. Without seeing interested customers, automobile manufacturers have been reluctant to offer natural-gas-powered products in the showroom.

However, the abundant supply of natural gas in the United States, which is now more accessible due to advances in production technology could be a significant development for transportation sector.



Tony Francavilla, Lansing regional plant manager, speaks to some of the plant's 1,643 employees last week.

Careers Site Reaches Beyond Automotive Sector

AUBURN HILLS - Chrysler Group last week announced it would be rolling out the proverbial red carpet to prospective talent by launching a redesigned website, ChryslerCareers.com, that provides an enriched multimedia experience for prospective job candidates.

The redesigned site, which embodies the automaker's employment brand, titled, "Get in and Drive," enables applicants to explore Chrysler Group's corporate culture, including its

diverse people and products, plus listings of current employment opportunities.

Users will also have the ability to register to receive email and text alerts on future job postings.

In addition, recognizing the growing popularity of personal communications devices, the site will soon provide convenient access anytime, anywhere for applicants who prefer use of smart phones and tablets.

"The launch of our new

ChryslerCareers.com website gives us a great platform to showcase our corporate story in a way that is authentic and engaging, allowing us to reach beyond the core automotive sector in our pursuit of future talent," said Nancy A. Rae, senior vice president - Human Resources, Chrysler Group LLC.

"We believe the diversity of information and the accessibility of the site will provide an enhanced environment to educate job applicants on the

wealth of opportunities available at our company and what it means to be part of the Chrysler Group family."

"The redesigned ChryslerCareers.com website is another milestone in Chrysler Group's pursuit of world-class talent to support the company's growth and success," Rae added.

The website redesign was performed with the strategic assistance from NAS Recruitment Communications, The Right Thing and mResource.