

Valeo and Vinnie Johnson Team to Buy ACH

The international auto parts supplier Valeo has teamed up with V. Johnson Enterprises to deliver critical components to Ford Motor Co. through a new venture.

Valeo and V. Johnson Enterprises have formed Detroit Thermal Systems and, through their joint venture, purchased Automotive Components Holdings (ACH), which is currently located in Plymouth Township.

ACH provides climate control parts to Ford and was a subsidiary of the automaker. The new joint venture firm will assume ACH's commitments to Ford.

V. Johnson Enterprises of Detroit will own 51 percent of Detroit Thermal Systems and Valeo will own the remaining 49 percent. V. Johnson Enterprises is a minority supplier to Ford and is owned by former Detroit Pistons player Vinnie Johnson.

The acquisition will strengthen Valeo's thermal systems operations and its position with Ford Motor Co. in North America and the rest of the world.

This transaction is in line with Valeo's strategic commitment to helping its customers reduce CO2 emissions by offering innovative solutions in each of its four areas of expertise: powertrain systems, thermal systems, comfort and driving assistance systems, and visibility systems.

The Sheldon Road plant produces heating and air conditioning components and systems for a large number of Ford vehicles.

"This acquisition is a strategic breakthrough for Valeo that will not only enhance our presence across North America, but also strengthen our ties with the Ford Motor Company in North America and the rest of the world. Valeo will be a member of Ford's Aligned Business Framework (ABF) supplier program," said Jacques Aschenbroich, chief executive officer of Valeo.

"This new joint venture will enable Valeo to broaden its offering of innovative thermal system products and support its customers in meeting their CO2 emissions reduction challenges."

This joint venture plays to Valeo's strengths, said Brad Warner, Regional Communications manager, North America, at Valeo.

"Valeo has a very strong legacy of producing quality thermal systems," Warner said. "The products we will help produce through this joint venture are really a part of our core competency."

And, Warner said, it gives the company the opportunity to help develop a minority business while producing and selling parts that are part of Valeo's core competency.

"Our portfolio is filled with climate control components," Warner said. "Valeo has four business groups, and one of them is thermal systems. We want to maintain a balanced portfolio across the globe. This helps an international company weather the current economic storm."

Warner said the new plant should be up and running sometime in the first quarter of 2013. The new location is in Romulus and the Plymouth plant will continue operation as processes are transferred.

"We will use a stepped timeline

to transfer functions," Warner said. "This will happen over a 24-month period."

"To move a production line from one facility to another involves a lot of processes and issues of quality control. We must make sure that we continue to produce parts that meet our quality standards during this transition time."

"To do that, we use specific processes within the automotive production discipline to ensure we produce a quality product on time. I have a director of quality and this is his entire life."

Auto.Tech.Connect, Set for Nov. 15, Is a First Industry-Exclusive Event

The Auburn Hills Chamber of Commerce will debut an industry-exclusive networking event on Thursday, Nov. 15.

Auto.tech.connect is open to those in the automotive manufacturing, technology and supplier industries located anywhere in the metro Detroit area. It is designed to connect members in Auburn Hills' core industries with others, promoting collaboration and support of common business goals.

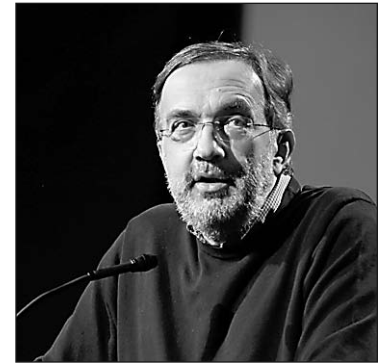
"We are hoping to facilitate business relationships between core industry members," said

Denise Asker, executive director.

"Since the automotive industry has put Auburn Hills on the map, the Chamber wanted to create a networking event for members with common goals and business interests."

The event will take place at the Rochester Mills Production Brewery from 4:30 to 6 p.m. Tickets are \$10 and include networking, beer tasting and snacks.

Registration is open until Nov. 12. Call the Chamber at 248-853-7862 to register. Attendees must work for an approved automotive manufacturer or supplier.



Sergio Marchionne

Sergio is Named 'Man of the Year'

It's been four years since Sergio Marchionne took the helm of Chrysler. Now, he has been named "Man of the Year" by *Automobile Magazine*.

Since 2008, Marchionne has completely transformed Chrysler, though he gives credit where he thinks it's due: to the people he assembled to manage each of Chrysler's brands and assets.

While Chrysler Communications acknowledges the award is "clearly a great honor," Marchionne has issued no official statement, and has instead kept his media team focused on other, more pressing news.

Marchionne joins Kia's chief of design, Peter Schreyer, and Ford Motor Company CEO Alan Mulally, "Man of the Year" recipients in 2012 and 2010, respectively.



The plush, quiet interior of the new 2013 Cadillac ATS sport sedan

Bose Active Sound Management A Part of Cadillac ATS Quietness

by Jennifer Knightstep

To some, automotive "luxury" means lush interiors with comfortable seats and high-tech gadgets. But to vehicle performance engineers, like James Murphy, it also means quiet.

There are some noises, Murphy admits, that are perfectly acceptable, but others, like wind noise and the sounds of passing cars, are simply annoying.

It's these irritating sounds that Murphy and his team worked to block in the 2013 Cadillac ATS, by employing a range of active and passive sound-canceling technologies. The combination of these technologies work together to reduce the ATS's overall sound levels by 3 decibels while idling, making the vehicle nearly 50 percent quieter.

"Not all noise is unwanted, especially in a vehicle like ATS," said Murphy. "While wind rush penetrating a closed window is undesirable, the driver does want to hear the vehicle respond with power during spirited driving."

The most impressive of the active technologies is a Bose Active Sound Management system of

three microphones to detect, then address, noise within the cabin.

The microphones are strategically placed to "hear" what passengers hear, above the interior door frame for the front driver and passenger and at the rear driver's side.

When unwanted noises are detected, the system delivers counter-balance sounds through the cabin speakers, offsetting low-frequency noises between 40Hz and 180Hz.

On the "passive" noise-canceling front, the ATS provides quiet with sound-deadening materials all around the vehicle, addressing irritating noises like rain hitting the roof, wind rush and traffic noises from the windows and windshield, and even the sounds of tires on the road and the "tick-tick-tick" sounds of the engine idling.

The Cadillac ATS sport sedan is available in dealer showrooms now, and starts at \$33,990.

Got News?

If you have solid business news for this paper, please contact us at News@OaklandTechNews.com.

Auto Industry Analysts Expect Sales Dip, Then Month's Rise After Super Storm

by Jim Stickford

The effects of Hurricane Sandy, which devastated the East Coast on Oct. 27 and 28, will be felt for months by millions on the Eastern Seaboard and across the country – and car dealers and manufacturers are no different.

Ricky Beggs, vice president and manager of Black Book, said the giant storm will have an effect on both the new- and used-car side of the automotive business.

"This storm will definitely have an effect on new-car sales," Beggs said. "Right now, experts are predicting new-car sales of around 14.8 million for 2013. The Eastern corridor hit by the storm includes a huge population segment."

These people will either put off buying a new car while they dig out from the wreckage, said Beggs, or they will have to buy cars to replace those damaged in the storm.

"Right now, manufacturers don't have a lot of inventory on hand to ship east," Beggs said. "Production levels have been kept very tight and OEMs have been manufacturing to the market, not to the plant. In past years, in order to keep a production line running, OEMs were making cars just to make cars even if the market wasn't there for the vehicles being made."

That practice, Beggs said, has pretty much died out. The upside is that the OEMs don't have giant parking lots with inventory they haven't been able to sell. That keeps costs down. The flip side of that is when they need to rush inventory to someplace after an emergency, they don't have that inventory on hand. They have to manufacture it, and that takes time.

"Manufacturers can't change



Hurricane Sandy devastation depicted in this uprooted Jersey scene.

production schedules overnight," Beggs said. "They've been producing to market demands, which means they don't have a lot of inventory to ship right now."

Beggs said that a lot of people who are traditionally used-car

buyers might move up to the new-car market in the wake of Hurricane Sandy. That's good news for OEMs. But they probably won't see those sales until

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AAIA Award-Winning Delphi Device Communicates Data to Owner And to Designated Service Center

Delphi Product & Service Solutions (DPSS) was recently named the first Automotive Aftermarket Industry Association (AAIA) Telematics Challenge winner for the company's connected car solution technology.

The award was presented to DPSS in Las Vegas on Oct. 30 during the Automotive Aftermarket Products Expo (AAPEX).

DPSS' connected car solution technology was developed



Delphi's CCST

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