

## Akerson Paints a Pretty Rosy Picture of GM's Future, Both in the U.S. and Globally

By TOM KRISHER  
AP Auto Writer

DETROIT (AP) – General Motors' CEO said last week that he expects the company to steal sales from rivals in the U.S. this year as its new cars and trucks gain traction with customers.

Dan Akerson told reporters that he sees a modest gain in U.S. market share, helped by the roll-out of the Chevrolet Silverado and GMC Sierra pickups and two Cadillac sedans. He also expects the company to do well globally during the next two years.

"The sun will be on our backs. These will be good years," he said. Akerson spoke at a morning roundtable with reporters in Detroit. After his positive forecast, GM's stock price reached a 52-week high of \$30.28 before pulling back to close at \$29.97, a 2 percent gain for the day.

Despite turning big profits last year, GM stumbled in key areas. Its U.S. market share slipped from 19.6 percent to 17.9 percent, the lowest share in recent history and perhaps the smallest since GM was founded in 1908. GM's sales grew less than 4 percent in the U.S. compared with total industry growth of 13 percent.

But Akerson said GM charged high prices and made good profits on cars and trucks despite having the oldest model lineup in the U.S. industry. GM has pledged to redo or update 70 percent of its lineup in North America by the end of 2014.

Chevrolet, which saw sales rise 4.3 percent last year, should see bigger growth because of the new pickup trucks and other vehicles, he said. He predicted

Cadillac would take market share from Mercedes-Benz, BMW, Lexus and Audi. Cadillac introduced an ATS small sports sedan and the XTS large sedan last year, and it will get new or updated versions of its other models this year.

"I do think we'll grow faster than the market," he said. "Certainly, that's our hope and that's our expectation. I can't guarantee the future any more than you can," he said.

GM expects total U.S. sales to rise to 15 million to 15.5 million this year from 14.5 million in 2012.

The 64-year-old Akerson, a former telecommunications and private equity executive who has been CEO since August of 2010, expects to be in the job next year. But he wouldn't comment beyond that.

Also during the hour-long discussion at GM's Detroit headquarters, Akerson said the company hopes to regain investment-grade credit status this year. GM is working with credit rating agencies to raise its status from junk, where it's been since 2005. Akerson said the company's recent \$11 billion credit line received investment grade rating, showing that banks are ahead of



Dan Akerson

the ratings agencies. Companies with investment grade ratings can borrow money at lower interest rates than those with junk status.

The U.S. government's plan to sell its stake in GM by early 2014 should help the company attract more customers. Some people won't buy from GM as long as the government owns a stake, which is currently 19 percent. The government owned as much as 60 percent of the company after bailing it out in 2009. Taxpayers, however, are still roughly \$22 billion in the hole on the \$50 billion bailout.

## Bob Lutz to Receive EyesOn Design's First 'Design Catalyst Award' at NAIAS

A Detroit auto legend will be honored with the first Design Catalyst Award, one of the EyesOn Design Awards presented at the North American International Auto Show (NAIAS) in Detroit this week.

The inaugural Design Catalyst Award will be presented to Bob Lutz, dubbed the "ultimate car guy" for his forthright leadership and passion in helping to transform the global automotive industry.

Lutz held key executive positions at all three of Detroit's automakers.

The award will be presented on Tuesday, Jan. 15, at a special ceremony in Cobo Center during NAIAS.

The Design Catalyst Award honors an individual who recognizes and enables great design in the global automotive industry. Lacks Enterprises is the lead sponsor of the new award.

"We are thrilled to be sponsoring this new Design Catalyst Award and, in particular, to having it presented to Bob Lutz, a true innovator and leader in the industry throughout his storied career," said James Arden, director of Business Development, Lacks Enterprises, Inc.

"Our own business is predicated on outstanding design and we are pleased to support an award



Bob Lutz

that recognizes and empowers those who foster great design."

Lacks Enterprises, Inc., was formed in 1961. The company has grown to become a technology provider worldwide with a diversified operation providing complete turnkey solutions in thermoplastic design, injection molding, plating, painting, assembly, logistics and supply chain management.

Lacks also provides global export and distribution capabilities.

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## Electronics Now Fastest-Growing Auto Commodity

With continued pressure from legislators and consumer bodies to increase the fitment of active safety systems, Livonia-based TRW Automotive expects several notable trends to develop in the electronics field.

One is crash avoidance technologies becoming mainstream. There will also be a focus on affordable radar and camera systems and increased demand for open architecture systems.

Peter Lake, executive vice president, Sales & Business Development for TRW, said, "Electronics is the fastest-growing automotive commodity. Industry estimators now place the percentage of a vehicle's cost attributed to this area to be as high as 40 to 50 percent, up from 20 percent a decade ago.

"Today, the industry is stepping up to the mark as (global) organizations . . . have set ambitious targets to drastically reduce the number of road fatalities globally by 2020."

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