

# Chrysler's Annual Net Income Jumps from \$183 Million to \$1.7 Billion

Chrysler Group last week reported preliminary net income of \$1.7 billion for the full year 2012, up from a net income of \$183 million a year ago, exceeding the guidance provided earlier in the year.

Full-year 2011 adjusted net in-

come was \$734 million, after adjusting for the \$551 million loss on extinguishment of debt recognized in the second quarter of 2011.

"While we are pleased to have achieved strong financial results in 2012, the enterprise we are

crafting is not complete," Chrysler Group LLC Chairman and CEO Sergio Marchionne said.

"The goals we've set for the year ahead reflect a common desire by everyone from leadership to the shop floor to succeed and

sustain the power of the house we are building. Our aim is meaningful, but it is not complicated, and only a preoccupation with quality can achieve it.

"We pause for a moment to enjoy our accomplishments, but we

will not stop. Our continued achievement relies upon maintaining a humble spirit and an intense focus on the integrity of our work. And so we press on."

CONTINUED ON PAGE 2

# Oakland Tech News™

AUBURN HILLS AND ENVIRONS

VOL. 31 NO. 4

News of the Automotive, Technology and Supplier Community

FEBRUARY 4, 2013

## 60-Year Evolution Culminates in 7th Generation Corvette

by Ross Raybin

General Motors celebrated 60 years of the Corvette by rolling out its newest model at the International Auto Show in Detroit on Jan. 13.

The reveal of the 2014 Corvette Stingray during media week at the IAS grabbed the attention of the press and took social media by storm.

The latest Corvette, referred to as "C7" by enthusiasts, represents the seventh generation of the car released by the automaker and the first since 2005 when the sixth-generation Z06 was released.

Over the decades, the Corvette has earned its reputation as America's sports car through continual refinement and engineering and technological advances.

The first Corvette was introduced at New York City's Waldorf Astoria hotel in January 1953

during the GM Motorama.

What was unique about the vehicle back then was its body, which was made of composite materials.

The first-generation (C1) Corvette boasted an all-fiberglass body. Over the years, it has evolved into a more durable carbon fiber body.

The third-generation was the first generation of the vehicle to do away with a fiberglass frame and instead use sheet-molding compound. It was a lighter-weight plastic that was more elastic and prevented cracking.

The first carbon fiber parts were used in the sixth generation of the vehicle to make it lighter, however it was the fifth-generation Corvette that really trimmed the weight.

The C5 was one of the rare instances in the world of cars where a new model weighed less than its predecessor.

According to a press release by



While the Corvette has changed over the years, it has never lost its sense of style or power.

GM, the 1997 Corvette was larger than its predecessor and weighed nearly 100 pounds less.

One of the largest contributors to the vehicle's weight loss was the use of new body panels that had a higher plastic content and

all-new chassis. They used rails and hydroformed sections to provide more strength with less complexity and weight.

The C5 was also the introduction of a new engine (Gen 3 small-block), which weighed roughly 10

pounds less than previous models.

The type of engine used in the G1 Corvette was a Small Block V8, which wasn't introduced until the car's third year of production.

CONTINUED ON PAGE 2

## Some GM Engineering Development Will Move to Powertrain in Pontiac

Pontiac ended up a winner in GM's latest move to invest in infrastructure to design and build better cars and trucks.

The company announced that it will invest \$200 million into its Global Powertrain Engineering Headquarters to build a new 138,000-square-foot test wing, which is expected to be completed during the second half of 2014.

Under the expansion plan, engineering development work currently being done at leased facilities in Wixom; Castleton, Ind., and Torrance, Calif., will move to Pontiac. Also, GM R&D's Propulsion Systems Research lab in Warren will relocate to the Pontiac campus. GM previously announced that work being performed at its hydrogen fuel cell facility in Honeoye Falls, N.Y., would be consolidated in Pontiac in mid-2013.

The plan is part of GM's previously announced commitment to invest \$1.5 billion in its North American facilities in 2013.

The expansion will enable the company to consolidate work being done at four locations remote to the Pontiac campus, helping to reduce development timing for GM's next-generation advanced propulsion technologies. When the moves are complete, GM will have added approximately 400 jobs to the Pontiac campus.

"These moves will help our entire Powertrain team work more effectively across the organization to develop the powertrain technologies we need to build the world's best vehicles for our customers around the world," said Sam Winegarden, GM vice president of Global Engine Engineering.

In addition, the Performance Build Center, currently located at the Wixom facility, will move to GM's Chevrolet Corvette assembly plant in Bowling Green, Ky., by the first quarter of 2014.

CONTINUED ON PAGE 3

## Detroit Big 3 January Sales Results

### GM Retail Sales Up 24 Percent

General Motors Co. announced last week that it sold 194,699 vehicles in the United States in January, up 16 percent compared with a year ago. Retail sales were up 24 percent. Fleet sales were down 2 percent.

"The year is off to a very good start for General Motors," said Kurt McNeil, vice president of U.S. sales operations. "There's a sense of optimism among our dealers that only comes when you pair a growing economy with great new products. We started to see the benefits in 2012 with vehicles like the Chevrolet Sonic, Cadillac ATS and Buick Verano. Now in 2013, we're entering the sweet spot of our product plan in a growing economy."

Sales of GM's full-size pickups were up 32 percent.

### Ford Car Sales Up 34 Percent

Ford Motor Company's January U.S. sales of 166,501 grew 22 percent year-over-year – with retail sales up 24 percent. Gains were made across the product lineup, with cars up 34 percent, utilities up 23 percent, and trucks up 11 percent for the month.

"Ford is off to a strong start this year, with Fusion and Escape delivering January sales records and F-Series seeing a particularly strong reception this early in the year," said Ken Czuby, Ford vice president, U.S. Marketing, Sales and Service.

Sales of the all-new Ford Fusion totaled 22,399 vehicles in January, a 65 percent increase versus a year ago and Fusion's best January sales ever. Fusion broke its January 2011 sales record by 56 percent.

### Chrysler Sales Up 16 Percent

Chrysler on Feb. 1 reported U.S. sales of 117,731 units, a 16 percent increase compared with sales in January 2012 (101,149 units), and the group's best January sales since 2008.

The Chrysler, Dodge, Ram Truck and FIAT brands each posted year-over-year sales gains in January compared with the same month last year. The Dodge brand's 37 percent increase was the largest sales gain of any Chrysler Group brand in January. Chrysler Group extended its streak in January to 34 consecutive months of year-over-year sales gains.

The all-new Dodge Dart continued on its upward sales trend with a 17 percent month-over-month increase in January, the car's best monthly sales performance since its launch.



General Motors Advanced Restraint Systems Senior Staff Engineer Scott Thomas demonstrates the industry's first front center air bag, in fall of 2011 at the GM Proving Ground.

## GM, Takata Introduce New Airbag Systems

Vehicle safety is important and GM has been promoting its advances in passive safety technology with the introduction of two new industry-first air bags on four of its best-selling 2013 cars and crossovers.

The 2013 GMC Acadia and 2013 Chevrolet Traverse equipped with power seats and all 2013 Buick Enclave midsize crossovers come with GM's front center air bag. Developed in collaboration with safety restraint supplier Takata, this air bag is designed to help provide an energy-absorbing cushion between drivers and front passengers in side impact crashes and rollover

events, as well as added protection to the driver in far-side impacts.

Acadia, Traverse and Enclave are among the Insurance Institute for Highway Safety's 2013 Top Safety Picks.

"The front center air bag is not required by federal regulation, and no other air bag in passenger vehicles today offers the type of restraint and cushioning this air bag is designed to provide for front occupants," said Scott Thomas, senior staff engineer in GM's advanced restraint systems.

Far side impacts, where the vehicle is impacted on the passenger side of the vehicle, were studied by

GM through an analysis of the National Highway Traffic Safety Administration's Fatality Analysis Reporting System database.

GM found that far-side impact crashes, which the front center airbag primarily addresses, accounted for 11 percent of the belted front occupant fatalities in non-rollover impacts between 2004 and 2009 involving 1999 model year or newer vehicles.

Far-side fatalities also represented 29 percent of all the belted front occupant fatalities in side impacts.

CONTINUED ON PAGE 2

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