

Study Says Federal Bailout of GM Alone Spared 1.2 Million Jobs, \$39.4 Billion

“The U.S. Treasury’s ownership exit closes just one chapter in GM’s ongoing turnaround story.”

GM CEO Dan Akerson made this statement the day he announced he was leaving the automaker.

He added, “We will always be grateful for the second chance extended to us and we are doing our best to make the most of it.”

“Today is not dramatically different from the hundreds of preceding days during which we have worked to make GM a company our country can be proud of again.

“Continued investments, innovation, and job creation are just some of the “returns” of a healthy GM and domestic auto industry. Our work continues uninterrupted, and we will keep our sights squarely on our customers and transforming the way we do business.”

The U.S. government bailout of General Motors alone in 2009 spared 1.2 million jobs and preserved \$39.4 billion in personal and social insurance tax collections in 2009 and 2010, according to a Center for Automotive Research study released last week.

“Any complete cost-benefit assessment of the federal assistance to GM in its restructuring must consider the total net returns to the public investment . . .” researchers Sean McAlinden and Debra Maranger Menk wrote in “The Effect on the U.S. Economy of the Successful Restructuring of General Motors.”

According to the researchers, the infusion of money into GM and Chrysler by the administrations of Presidents George W. Bush and Barack Obama avoided loss to the U.S. of \$105.3 billion in transfer payments and personal and social insurance tax collections.

Additionally, because of the two-company bailout, 2.6 million jobs were saved in 2009 alone and \$284.4 billion in personal income was preserved over 2009-2010.

“If the U.S. government had refused to assist (GM and Chrysler) . . . in a financial crisis of unprecedented proportions, then the whole U.S. economy was operating without a safety net, with the exception of course, of the banking system,” McAlinden and Menk concluded.

The center (CAR) independently funded the new study as a

follow-up to a November 2008 analysis.

GM spokesman Alan Adler said GM agrees with the CAR analysis recent history, which he called comprehensive.

Back in 2008, CAR released a report that supported the government’s actions, Adler said, but at the time the report was speculation.

The recent 2013 report backs up the initial report with hard numbers.

The 2013 CAR report concluded that “If GM and Chrysler had ceased to operate permanently in January 2009, almost 600,000 existing GM and Chrysler retirees would have certainly seen their company pensions delayed and reduced (as was the case for Delphi salaried workers) and their retiree health benefits canceled.

The CAR report continued, “The Pension Benefit Guarantee Corporation (PBGC) would have been overwhelmed. The majority of these retirees reside in the upper Midwest and a few retiree states (such as Florida and Arizona) and the economic impact on those states would have been catastrophic.

“Along with the loss of active automotive manufacturing employment, the additional loss of retiree income in these states would have produced a Depression Era economy in much of the upper Midwest.”

The report did state that “it is true that CAR projects that much of U.S. auto manufacturing employment would have recovered without U.S. government intervention by 2011 or sometime thereafter, but there would have been a decided shift in the location of this employment to the southern por-

tion of the United States.

“This is where international automakers have decided to base much of their assembly capacity,” the report said.

“Once again, the results for upper Midwest states such as Michigan, Ohio, and Indiana of this relocation would have been severe in the long term. Double-digit unemployment rates would still exist in these states today.

“Further, it is not likely that an additional base of companies and employment in automotive research, product development, and tooling would have reappeared in the southern U.S. states from its current location in the upper Midwest.

These critical pre-production activities are largely carried out in home countries by the international automakers and this important economic base would have been lost to the U.S. economy, perhaps forever.”

The report concluded by stating, “Two consecutive executive administrations in Washington decided in late 2008 and early 2009 that the consequences of the potential losses and outcomes to the U.S. economy and people described above were worth avoiding through a federal intervention.

“CAR is confident that in the years ahead, this peacetime intervention in the private sector by the U.S. government will be seen as one of the most successful in U.S. economic history.”

Got News?

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

Prestige Cadillac Keeping With Cadillac Tradition

by Jim Stickford

Prestige Cadillac in Warren held an open house on Dec. 12 and Dec. 13 as a way to let people know that now is a good time to get a Cadillac and to say thanks for a warm welcome to the community.

“I want to say that things are going well here,” said Prestige general manager Doug Stanley. “We took over from Rinke Cadillac a few months ago and we have been welcomed by the community in a tremendous way. People have stopped by saying they’re glad we’re here to continue the Cadillac tradition in Warren and the surrounding communities. That’s a relief to hear. When we first came here, we didn’t know what to expect from the community.”

Stanley said the open house was a way of saying to customers that they can expect to receive the great tradition of Cadillac service.

“It’s funny,” Stanley said, “when you say your cell phone is the best, you say it’s the Cadillac of cell phones. The very name Cadillac means the best, and we will continue to give the people of Warren and the surrounding cities the premium service that goes with the name Cadillac.”

Stanley said 2013 has been a good year for GM and Cadillac, so taking over a dealership this year had its advantages.

“I’ve been in the car business

for 30 years, and with Prestige for 20 years,” Stanley said. “I maintain there’s never a bad time to sell cars, but I will admit that there are better times to be in the retail side of the business, and 2013 is better than, say, 2008. What’s energizing us now is that Cadillac is leading the field in design, development and technology.”

Lifestyle plays an important role in people’s idea of what car to get, Stanley said. And, he added, with the improvements in technology and design, Cadillac is able to meet the lifestyle demands of today’s buyers.

“It’s amazing,” Stanley said. “It used to be that cars make huge advancements in design and technology every 20 years. Now it’s every two years. This is an exciting time to be in the car business.”

Among those attending the open house was Bruce Trudgeon and his son William, an attorney with the firm of Christopher Trainor & Associates.

“I work for the auto supplier Acument Global Technology,” said Bruce Trudgeon. “We make the bolts that hold these cars together and it’s nice to see the vehicles up close. These are nice cars.”

William Trudgeon said that he came to Prestige to get a new ATS.

“I like the ATS’ handling and 2.0 liter turbo engine,” Trudgeon said.

RED WING SHOES®

RED WINGS

Make A Great Gift

Gift Certificates Available

WITH THIS AD...
**FREE GIFT
WITH EVERY
SHOE
PURCHASE**
ITEMS CHANGE DAILY
Call ahead
for details.



- Waterproof & Insulated
- Work & Sport
- Professional Fitting
- Wide Widths In Stock

RED WING SHOE STORE

M-F 10-8; Sat. 10-5; Sun. 12-4

33289 Mound Rd.

Just North of 14 Mile Rd. In Stover Plaza
— on the west side of the street —

586-264-4500

GRIMES BARBER SHOP

MON. - FRI. OPEN 7:00 A.M - 6:00 P.M.

SATURDAY OPEN 7:00 A.M - 5:00 P.M.



\$800

Chicago Rd

Mound Rd

13 Mile Road

Van Dyke Ave.

In Historic Warren Village.

5966 CHICAGO RD. (AT MOUND) • 586-979-4130

INDEPENDENCE

AUTO REPAIR

Full Service

American Owned & Operated

We do all factory scheduled maintenance!

★ We Have Tires ★

OPEN: Monday thru Friday 7:30am-6pm

FREE Shuttle Service within a 10 mile radius

FREE Courtesy Check on any vehicle

FREE Coffee to everyone

28775 Van Dyke • Warren 12 & Van Dyke 586-751-4440

48330 Van Dyke • Shelby South of 22 Mile 586-991-0440

15075 32 Mile Rd. • Romeo Corner of 32 Mile & Powell Rd. 586-336-4440

Trans. Flush w/ cleaner & additive. Includes 17 qts. transmission fluid. **\$99.99**

OR Coolant Flush w/ cleaner & additive. Inclu. 3 gal. of Coolant **\$99.99**

In-store offer good through 12-31-13

Full Service Oil, Lube & Filter Change **\$17.99**

w/ Tire Rotation **\$24.99**

In-store offer good through 12-31-13

Front End Alignment **\$39.99**

4-Wheel Alignment **\$79.99**

Camber & Caster Adj. Additional

In-store offer good through 12-31-13

Ceramic Brake Special **\$99.99**

Includes pad installation

In-store offer good through 12-31-13

15% OFF Parts to All GM Employees w/ Badge

In-store offer good through 12-31-13

UP TO \$50.00 OFF WINDSHIELD REPLACEMENT (WITH INSURANCE DEDUCTIBLE)

Michigan's Glass Experts

Henderson GLASS

RE-OPENS IN WARREN

32680 Van Dyke S. of 14 Mile Rd.

14 Mile Rd

Van Dyke

COME SEE OUR NEW SHOWROOM

CUSTOM SHOWER DOORS & ENCLOSURES

10% OFF*

*MATERIAL ONLY, LABOR EXCLUDED. Not valid with other offers, some restrictions apply.

FOGGY HOME WINDOWS? BUY ONE DOUBLE PANE GLASS ... GET ONE -

50% OFF*

*MATERIAL ONLY, LABOR EXCLUDED. Not valid with other offers, some restrictions apply.

STONE CHIP REPAIR

\$29.95 RETAIL IN SHOP

Not valid with other offers, some restrictions apply.

FREE MOBILE SERVICE AVAILABLE

800-ASK-GLASS 275-4527

22 Convenient Locations www.HendersonGlass.com

WARREN URGENT CARE

8am-10pm • 7 Days a week • 365 Days a Year

"Bringing Quality Urgent Care To Your Neighborhood"

"We Care"

URGENT CARE FOR ACCIDENTS AND INJURY

ADULT & PEDIATRIC ILLNESS

Digital X-Rays, EKG and Lab Work, On-Site Lab Service, Strep, Mono, Pregnancy & Urine Testing, Vaccinations, Sports & School Physicals, Occupational Medicine, Work-Related Injuries, Pre-Hire Physicals (BAT & Urine Screening)

SPECIAL ON SPORTS PHYSICAL \$25.00 State-of-the-Art Facility

586-276-8200

31700 Van Dyke • Warren, MI 48093

On Van Dyke Rd., between 13 & 14 Mile in St. John's Windemere Park

OTHER CONVENIENT LOCATIONS:

Woodland Urgent Care 22341 W. 8 Mile Road Detroit 313-387-8700

N. East Macomb Urgent Care 43900 Garfield, Suite 121 Clinton Township 586-868-2600

FLU SHOTS

ATTENTION Chrysler, GM, Ford Employees, we're within 2 miles of your plants

HAP & BCN NO Referrals Needed! www.warrenurgentcare.com