Detroit Auto Scene

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FCA Agrees to 50/50 Merger with OEM Peugeot

It's on.

Just days after it was announced that FCA and Peugeot were considering a merger, FCA issued a statement on Oct. 31 that the two companies will be joining forces.

The statement reads: "The Supervisory Board of Peugeot S.A. and the Board of Directors of FCA N.V. have each unanimously agreed to work towards a full combination of their respective businesses by way of a 50/50 merger. Both boards have given the mandate to their respective teams to finalize the discussions to reach a binding Memorandum of Understanding in the coming weeks '

The move by FCA is the sec-

ond time in 2019 that the company has a proposed merger with a French auto company.

In late May of this year, it was announced that Renault and FCA would seek a merger. But the deal was called off within two weeks due to conditions placed on the deal by the French government.

In May, Autoline founder John McElroy said that while a merger between FCA and a French automobile company such as Renault might be good overall, it presented a danger to Michigan. He noted that a merger would create economic efficiencies by reducing duplication of efforts. A new company wouldn't, for example, need finance departments from FCA and Peugeot. It wouldn't

need purchasing departments from the two companies.

McElroy said he doubted a merger would mean fewer blue collar jobs. Factories would still need to operate. But McElroy noted due to differences in labor laws, it's easier to shed employees in the United States than in France, so white collar jobs in Michigan would be vulnerable.

McElroy said at the time that the Renault merger failed he believed "that FCA really needs a big partner in this time of great change within the auto industry.

"They've been looking for a big partner for some time. When people talk about potential diffi-







Doug Parks



Reuss Gains More Responsibilities at GM

The role of Mark Reuss, who ness and in the future of mobiliwas named General Motors president in January 2019, is expanded. He will oversee the company's North America, South America, China and International regions.

He continues to report to Chairman and CEO Mary Barra.

'Our industry is transforming faster than at any time in its history," said Barra.

"Aligning our regional operations under Mark will drive even greater collaboration and speedto-market, and accelerate growth opportunities in our core busi-

Doug Parks, vice president of Autonomous and Electric Vehicle Programs, is promoted to the role of executive vice president, Global Product Development, Purchasing and Supply Chain. He will report to Reuss and join the company's Senior Leadership Team.

Parks has been in his current position since 2016. Previously, he had been vice president for global product programs.

He has held a variety of engineering leadership positions since joining General Motors in 1984.

Steven Kiefer, senior vice president, Global Purchasing and Supply Chain, is named senior vice president and president, GM South America and International Operations, reporting to Reuss. Carlos Zarlenga, president and managing director, GM South America, and Julian Blissett, senior vice president, International Operations, will report to Kiefer. Also reporting to Reuss are Barry Engle, executive vice presi-

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Ford, UAW Reach Agreement Week After GM Ratification

FIAT CHRYSLER AUTOMOBILES

DETROIT (AP) - The United temporary workers can become Auto Workers union reached a tentative contract agreement with Ford after three days of in-

approved by committees of national union leaders and local officials who met in Detroit on Nov. 1. Then it was to be sent to Ford's 55,000 union workers for a ratification vote.

The tentative agreement "preserves job security and rewards UAW Ford members for their quality work," Union President Gary Jones said.

The agreement likely will mirror the pact approved last week by General Motors workers after a 40-day strike.

The GM contract has a mix of pay raises and lump-sum checks, a quicker path to full wages for new hires and assurances that

full-time. It also includes \$7.7 billion in investments at U.S. facto-

PEUGEOT

ble, the chief negotiator with Ford, said bargainers were talking during the GM strike.

ing strategy" won unspecified salary and benefits gains with Ford and secured over \$6 billion in product investments in American facilities, Gamble said in a statement. The investments will create or keep over 8,500 jobs, but no precise number of new jobs was given.

Ford confirmed that the agreement had been reached on a new four-year contract but said de-

On Oct. 25, the day GM workers approved their contract, the UAW picked Ford as its second company to bargain with. While talks began in earnest Oct. 28,

CONTINUED ON PAGE 3



ty.

UAW Vice President Rory Gamtense bargaining, as this newspaper went to press. The union said the deal was reached on the evening of Oct. 30 but didn't give details. The agreement still has to be

ries

The union's "pattern bargain-

tails would be provided later.

owners and fans for helping the niskis, Global head of Alfa Romeo brand achieve its 500 million horsepower goal early, the brand is launching the "Dodge Horsepower Challenge: 5 Weeks.

The 5 Questions. 5 Challengers," starting on Tuesday, Nov. 5, on Dodge.com, said FCA spokeswoman Diane Morgan. Every week for the next five weeks, one lucky Dodge enthusiast will have the chance to take home a special-edition TorRed Dodge Challenger SRT Hellcat Redeye. The key to being eligible to win a Challenger lies in answering at least one of the weekly multiple choice challenge questions correctly.

"At Dodge, we know that no matter how much horsepower you have, a little more can't hurt. So we're giving all our loval fans an opportunity to get one of our highest horsepower Challenger

As a "thank you" to Dodge models for free," said Tim Kuand Head of Passenger Cars -Dodge, SRT, Chrysler and Fiat, FCA - North America. "Unfortunately, there isn't really any such thing as free horsepower, so these five lucky Dodge fans will have to earn their way in by answering a horsepower question. Ok, the questions are ridiculously difficult, but it is a free Challenger SRT Hellcat Redeye, and we'll help you along the way."

The "Dodge Horsepower Challenge: 5 Weeks. 5 Questions. 5 Challengers" consists of Bill Goldberg providing horsepowerinspired challenge questions with multiple choice responses online at Dodge.com every Tuesday, beginning Nov. 5. Consumers can visit the Dodge brand's Twitter and Instagram li lai

CONTINUED ON PAGE 2

Bill Goldberg will welcome five new owners into the Dodge Brotherhood of Muscle with Horsepower Challenge.

view this week's edition at DetroitAutoScene.com

Recent Strike Hurts General Motors' Third Quarter Profits

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General Motors Grants Reuss More Duties

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dent and president, GM North America; Matt Tsien, executive vice president and president, GM China: Steve Carlisle, senior vice president and president, Global Cadillac; Tony Francavilla, vice president, Global Quality and Operational Excellence; Dave Kuhl, vice president, Global Portfolio Planning; and Michael Simcoe, vice president, Global Design.

"I am thrilled to be able to hand over the keys to our Global Product Development, Purchasing and Supply chain team to someone as talented and dedicated as Doug, who has been instrumental in leading the development of our electric and autonomous vehicle programs," Reuss said. "He has an outstanding team in place that will keep this company moving forward."

According to Parks, "I am honored to lead our Global Product Development, Purchasing and Supply Chain team, and look forward to continuing the momentum already established by Mark and our exceptional lineup of vehicles.

New appointments reporting to Parks are Ken Morris, vice president, Global Product Programs, who is named vice president. Autonomous and EV Programs; Tim Herrick, executive chief engineer, full-size trucks, who is promoted to vice president, Global Product Programs; Shilpan Amin, executive director, interior and exterior. Global Purchasing and Supply Chain, who is promoted to vice president, Global Purchasing and Supply Chain.

All appointments were effective Nov. 1.

DETROIT (AP) - Only two weeks of a lengthy strike against General Motors took place in the third quarter, but that was enough to dent the company's net profit by about \$1 billion.

GM's third-quarter net income fell 7 percent as a strike by the United Auto Workers union brought its U.S. factories to a standstill

The Detroit automaker still made \$2.35 billion, or \$1.60 per share, but the strike cost it 52 cents per share of earnings.

Most of the impact from the 40day strike will hit in the fourth quarter, and GM said Oct. 29 that it will wind up costing the company \$2.86 billion in profits for the full year.

The strike forced the company to cut its full-year pretax profit guidance from \$6.50 to \$7 per share, to \$4.50 to \$4.80.

Excluding one-time restructuring costs, the company made \$1.72 per share, beating Wall Street estimates of \$1.38, according to data provider FactSet.

Revenue fell 0.9 percent to \$35.47 billion, but still surpassed analyst estimates of \$34.95 billion. The 49,000 workers, who ended their strike on Oct. 25, were able to win a mix of pay raises and lump sum payments. They also got an \$11,000-perworker signing bonus, faster pay raises for newly hired employees and a path to full-time work for temporary workers. Workers kept their top-notch health insurance, with workers picking up only a 3 percent of the cost.

In exchange, GM locked down significant cost savings because it was able to close three underused factories that made cars and transmissions. The company is closing factories in Lordstown, Ohio; Warren; and another near Baltimore.

Because of the strike, which began Sept. 16, 300,000 GM vehicles never made it off the factory floor, Chief Financial Officer Dhivya Suryadevara told reporters Tuesday. The company will try to make up some of the lost production, but it won't be able to recapture any of the lost production of trucks and full-size SUVs because factories already were running at full capacity before the strike to meet demand, she said.

Before the strike, GM had said its restructuring efforts, including four plant closures, would save it \$4.5 billion on an annual basis. But in bargaining, GM agreed to keep a factory in Detroit open to build electric trucks. So the company revised its savings number to a range of \$4 billion to \$4.5 billion.

"Our plan is to offset the incremental costs (of the contract) with ongoing productivity and efficiency efforts," Suryadevara said.

On a conference call with industry analysts, CEO Mary Barra said that during the next five years, GM expects to spend more of its capital dollars on vehicles powered by electricity than those run by internal combustion engines.

She said the UAW contract doesn't place any limits on electric vehicles that can be built. Union officials are worried that it will take fewer workers to build electric cars, but Barra said that change is years into the future.

GM plans to develop 20 electric models that it plans to sell worldwide by 2023, a step toward building an "all-electric future" for the company.

Fully electric vehicles make up about 1.5 percent of U.S. new vehicle sales, and the LMC Automotive consulting firm predicts it will rise to only 7.5 percent by 2030.

Despite the strike, quarterly pretax profits in North America rose by \$200 million, to \$3 billion. But the company lost \$100 million on its international operations, compared with a \$100 million profit a year ago. That includes \$300 million in income from its joint venture in China, which dropped by \$200 million. GM spent \$300 million on its Cruise automated vehicle unit in the quarter, and it made \$700 million before taxes from its financial arm.

"The underlying business was strong this quarter," Suryadevara said, adding that GM still was able to make a pretax profit in North America due to the strength of its pickup truck and SUV sales.

GM's net profit declined even though sales jumped 6.3 percent in the U.S., the company's most profitable market. The average sales price rose 2.8 percent to \$41,661 per vehicle compared with a year ago, according to the Edmunds.com auto pricing site. Edmunds provides content to The Associated Press.

Light trucks, including SUVs, accounted for just over 88 percent of GM's sales during the third quarter. Pickup truck sales rose in the 14 percent in the quarter, the first quarterly increase of the vear.

GM was able to make up for the strike losses with restructuring savings and a gain in market share from its new heavy-duty pickups, said Edward Jones Industrials analyst Jeff Windau.

Shares rose, he said, because investors are looking GM's lower guidance as a one-time event, and focusing on fundamentals of the business, he said.

"By the results from this quarter, we can see they're doing a very nice job operationally" Windau said.

Dodge Challenge Rewards Horsepower Fanatics

CONTINUED FROM PAGE 1

channels before attempting to answer the questions to discover clues in the form of hidden hashtags in imagery to help narrow down the multiple options.

Each week's new challenge question will launch on Tuesday at 8 a.m. ET and run through the following Monday at 11:59 p.m. ET. The answer to each week's Challenge question will be available on Dodge.com one week from its release (that following Tuesday) at 8 a.m. ET.

Bill Goldberg, professional athlete, pro wrestler and automobile aficionado, will announce each week's challenge question on Dodge.com, Morgan said. Goldberg starred as "Santa" in the Dodge's 2018 holiday campaign.

"Dodge Power Dollars" more than exceeded the brand's expectations, giving a huge boost to Dodge performance across the country and helping the brand reach its goal of putting a half billion horsepower into the hands of its loyal enthusiasts by the end of the 2019.

The Dodge muscle cars are attracting a new generation of

shoppers who are drawn to the performance, attitude and personality of the Dodge brand - a brand that continues to differentiate itself within the car segment, Kuniskis said.

Leveraging its performance and horsepower, combined with the industry-exclusive "Dodge Power Dollars" program, which gives customers across the United States who purchase any 2019 Dodge Challenger, Dodge Charger or Dodge Durango a \$10 per horsepower cash allowance, the Dodge brand has blown past its initial goal of growing to 500 million horsepower by the end of the year, more than two months ahead of its goal. Kuniskis said.

The Dodge Challenger reported a record third quarter in 2019, building on its best ever sales record in 2018, while the Charger notched its highest level of thirdquarter sales in 13 years, on pace to lead the U.S. large car segment for three years running in 2019. In the past decade, Challenger and Charger sales have increased more than 60 percent. Durango is on track to have its best calendar-year sales total since 2005.



Novi Car Supplier Reports Profits

NOVI, Mich. (AP) – Stoneridge Inc. (SRI) on Oct. 30 reported third-quarter profit of \$6.7 million.

The Novi-based company said it had profit of 24 cents per share. Earnings, adjusted for restructuring costs and non-recurring costs, came to 37 cents per share.

The Novi company is a maker of electronic components for the automotive and other markets posted revenue of \$203.4 million in the period.

Stoneridge expects full-year earnings to be approximately \$1.55 per share.

Stoneridge shares have risen 34 percent since the beginning of the year.

The company's stock has risen about 30 percent in the last 12 months.



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Detroit Auto Scene

NOVEMBER 4, 2019

"FIRST IN THE HEART OF DETROIT SINCE 1933"

FCA, Peugeot Agree to Merge

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culties getting American, French and Italian cultures to work well together, I want to point out that Chrysler and Fiat were able to make their merger work. Both Italian and American work cultures. and Chrysler and Fiat cultures were able to come together smoothly and create a successful company.

The FCA statement declared that the plan to combine "the Groupe PSA and FCA businesses follows intensive discussions between the senior managements of the two companies. Both share the conviction that there is compelling logic for a bold and decisive move that would create an industry leader with the scale, capabilities and resources to capture successfully the opportunities and manage effectively the challenges of the new era in mobility.

"The proposed combination would create the 4th largest global OEM in terms of unit sales (8.7 million vehicles), with combined revenues of nearly €170 billion and recurring operating profit of over €11 billion on a simple aggregated basis of 2018 results excluding Magneti Marelli and Faurecia. The significant value accretion resulting from the transaction is estimated to be approximately €3.7 billion in annual runrate synergies derived principally from a more efficient allocation of resources for large-scale

investments in vehicle platforms, powertrain and technology and from the enhanced purchasing capability inherent in the combined group's new scale. These synergy estimates are not based on any plant closures.'

According to FCA, it's projected that 80 percent of the synergies would be achieved after four vears.

The total one-time cost of achieving the synergies is estimated at €2.8 billion.

The shareholders of each company would own 50 percent of the equity of the newly combined group and would therefore share equally in the benefits arising from the combination.

The transaction would be affected by way of a merger under a Dutch parent company and the governance structure of the new company would be balanced between the contributing shareholders, with the majority of the directors being independent.

The board would be composed of 11 members. Five Board members would be nominated by FCA (including John Elkann as chairman) and five would be nominated by Groupe PSA (including the Senior Independent Director and the Vice Chairman).

The Chief Executive Officer would be Carlos Tavares for an initial term of five years and he would also be a member of the Board.

FCA's CEO Mike Manley said, "I'm delighted by the opportunity to work with Carlos and his team on this potentially industrychanging combination. We have a long history of successful cooperation with Groupe PSA and I am convinced that together with our great people we can create a world-class global mobility company."

The new group's Dutch-domiciled parent company would be listed on Euronext (Paris), the Borsa Italiana (Milan) and the New York Stock Exchange and would continue to maintain significant presences in the current operating head-office locations in France, Italy and the U.S.



Paris-based automaker Peugeot has agreed to a merger with FCA.

Ford, UAW Quickly Reach Labor Agreement

CONTINUED FROM PAGE 1

bargaining had been going on since last summer.

If Ford workers approve the contract, bargaining will then focus on Fiat Chrysler, which may not be as open to granting the terms of the GM contract.

The GM deal also includes an \$11,000 signing bonus and scraps a cap on annual profit sharing based on the company's North American pretax income. But GM got the ability to close three U.S. factories including a large assembly plant in Lordstown, Ohio.

GM did agree to build an electric vehicle battery cell factory in the Lordstown area. but it won't employ anywhere near the 4,500

who worked in Lordstown just two years ago. Also, the battery plant will be run by a joint venture that won't pay as much as the \$30 per hour now made by assembly plant workers.

Analysts have said Ford may be less likely to agree to a signing bonus as large as GM's, and it may want to trim some engine and transmission factory capacity. The company may also have been reluctant to agree to paying new hires full wages within four years as GM did. Ford has about 18,500 workers hired after 2007 who would get big pay raises, compared with GM's 17,000.

The GM deal would be expensive for Fiat Chrysler because it has over 20,000 union employees hired after 2007.

The GM deal also didn't change the top-notch health insurance that the company provides for workers. Union workers pay only about 3 percent of their health care costs compared to around 30 percent for most U.S. employees. Going into the talks, Ford had wanted to trim health care and other labor costs so they were closer to costs at U.S. factories run by foreign automakers.

Ford's total labor costs including benefits are \$61 per hour, compared with the average foreign automaker plant's costs of about \$50 per hour, according to the Center for Automotive Research, an industry think tank.



Mopar Showing Off a Bit of Its Style at the 2019 SEMA Las Vegas Show

Viva Las Vegas.

The Mopar brand will take the stand at the biggest of all aftermarket parts shows to reveal two new pickup truck concepts customized with a unique combination of Mopar production and prototype parts and accessories at the 2019 Specialty Equipment Market Association (SEMA) Show in Las Vegas this week, said FCA spokesman Dale Jewett.

The Ram 1500 Rebel OTG (Off The Grid), an overlandingthemed vehicle concept, and the Mopar Lowliner Concept, a reimagined 1968 Dodge D200-series pickup, will be shown for the first time at show, Jewett said.

These vehicles showcase how Mopar is constantly expanding and exploring new ideas to meet the needs and fuel the imagination of our passionate fans," said Mark Bosanac, head of Mopar Service, Parts and Customer Care, FCA – North America. "Whether it's overlanding in remote locations or reimagining an alternative classic design history, Mopar has its customers covered."

The brand is also displaying a total of 14 customized vehicles and hundreds of Mopar products in its 15,345-square-foot exhibit in the South Hall of the Las Vegas Convention Center

Mopar will also announce additional news at its annual SEMA press briefing at 7:26 p.m. Eastern/4:26 p.m. Pacific on Tuesday, Nov. 5. The presentation can be viewed live online at Mopar.com. Among the vehicle on display

are Ram 1500 Rebel OTG (Off The

Grid) Concept

As the overlanding movement continues to grow across the globe, the Mopar team, in conjunction with leading outdoor equipment suppliers, created a unique reality-based concept for the ultimate travel adventure: the Ram 1500 Rebel OTG concept

'Unlike traditional 'four-wheeling,' in overlanding the journey is the final objective. The goal is to explore rather than conquer obstacles." said Joe Dehner. Head of Ram Truck and Mopar Design. "This is why we developed this concept, to allow vehicle-supported, self-reliant adventure aftermarket world, so Mopar de-

travel, typically exploring remote locations and interacting with other cultures. This is the vehicle that I'd like to have whenever I choose to go 'off the grid."

The OTG concept uses as a canvas the new 2020 Ram 1500 equipped with the new 3.0-liter V6 EcoDiesel engine, which offers exceptional low-end torque and extended driving range, coupled with a 33-gallon tank that makes it the ideal truck for longdistance travel.

The OTG concept also includes Mopar concept accessories, such as a front bumper with integrated winch, a larger grille with flow-through R-A-M badging and a functional snorkel air intake to improve off-road capability and performance. Front- and rearwheel flares and step assist rock rails have been installed to protect the vehicle while traversing rough terrain. A concept rear bumper, adapted from the Ram 1500 Tradesman, improves the departure angle of the truck by relocating the exhaust.

Helped by Ram's unique multifunction tailgate with 60/40 split swing-away doors, the bed of the truck has been accessorized to offer versatile utility for extended adventures.

A bed rack system fits atop the truck bed, carrying a collapsible rooftop tent, which can be accessed via a stowable ladder. Enhancing the overlanding experience, inside the truck bed there is a retractable battery-powered cooler and kitchen unit with a gas-powered stove and sink with an on-board water system. An added rack structure is mounted above the cab to provide additional storage space for tools and equipment.

A solar panel set, which can be deployed at any moment to generate electricity, and a backup power supply eliminates the need for a gas-powered generator, freeing cargo capacity. A concept hide-away bed step in the rear makes loading and unloading easier. The concept truck is also equipped with an onboard air compressor in the bed cargo area.

Mopar Lowliner Concept

Customization of classic trucks continues to be a hot trend in the signers rescued a 1968 Dodge D200-series heavy-duty pickup truck to transform it into the Candied Delmonico Red and Dairy Cream Mopar Lowliner Concept for this year's SEMA Show.

Designers fully boxed the original C-channel frame of the rearwheel-drive truck, substantially lowered the ride height and lengthened the wheelbase for a more dramatic stance. They also made a custom, power-tilt front end to showcase the legendary 5.9-liter Cummins diesel engine, which is mated to a six-speed manual transmission with a floormounted shifter.

The front axle of the Lowliner is moved three inches forward on the frame, pushing the front wheels closer to the front corners of the truck to achieve better proportions. A custom air suspension is added to the front and rear axle with three modes: low, driving height and driving height plus.

To package the air suspension components and relocated fuel cell, the floor of the truck bed is raised six inches by welding in a replacement floor from a current Ram 1500 pickup. The wheel wells in the concept truck were widened five inches per side to house the rear tires.

Designers streamlined the exterior to reinforce a smooth body appearance, simplifying graphics and eliminating elements, such as door handles, badging, fuelfiller cap and radio antenna.

More Mopar Highlights

The Mopar brand continues to expand the portfolio of more than 200 accessories for the Jeep Wrangler with the display of a Jeep Wrangler Rubicon accessorized with concept tube door mirrors and door skins, Jewett said. The vehicle also features a one-piece stamped steel front bumper with integrated fog lamps, tow hooks on the top and "D-ring" attachments at the bottom. The bumper is a Mopar production part and currently available to consumers. The vehicle is also equipped with a two-inch lift kit, Mopar cold-air intake and Mopar Warn winch kit to showcase some of the customization options that are only possible in the Jeep Wrangler.

Other vehicles that will be displayed at the show include the Dodge Challenger Mopar '19, a vehicle that celebrates a decade of factory customization with several exterior and interior features, including a Shaker Hood package and potent 392-cubicinch Hemi V8 engine.

The Challenger will be joined by the heritage-inspired Jeep Gladiator Scrambler and Mopar parts-laden Jeep Gladiator J6 Moab concepts, along with the 1958 Plymouth Fury made famous in the 1983 movie "Christine.'

As it does during every SEMA Show, Mopar will also display the latest take on the Ram ProMaster beer truck.



This Mopar Lowliner Concept is a modern take on classic customization, and is debuting at 2019 SEMA Show.

Ford Sees Profits Drop in Third Quarter

proving across the business," he

after the markets closed Wednes-

day, said higher than expected

warranty costs, expected lower

sales and income in China and in-

creased discounts in North

America caused the company to

Shares of Ford fell 2.5 percent

The company did show im-

provement in North America, its

most lucrative market, where

pretax profits were up 2.5 per-

cent to just over \$2 billion. Ford

to \$8.98 in after-hours trading.

cut its full-year guidance.

Ford, which released earnings

said.

DEARBORN, Mich. (AP) - Ford Motor Co.'s third-quarter net income tumbled nearly 60 percent as the company booked \$1.5 billion in charges mainly for restructuring, and Chinese and U.S. sales fell.

The Dearborn automaker knocked a half-billion dollars off its full-year pretax earnings guidance. Ford now says it will make \$6.5 billion to \$7 billion, or \$1.20 to \$1.32 per share.

Ford's net income from July through September was \$425 million, or 11 cents per share. Excluding restructuring charges, the company made 34 cents per share. That soundly beat Wall Street estimates that averaged 26 cents per share.

still lost \$281 million in China, but that was better than a \$378 million loss a year ago. Ford had planned to send the Chicago-built 2020 Explorer to dealers during the normal model year changeover in late summer. But quality problems forced it to delay deliveries and even ship thousands of the SUVs to Michigan for repairs. The company says dealers are now getting them in large numbers directly from the factory, although some are still being sent off for fixes. As a result, Explorer sales slumped during the quarter, cutting into revenue and income. That helped to drag Ford's overall U.S. sales for the quarter down 5.1 percent, according to the Edmunds.com auto pricing website. "Ford has almost fully made its transition away from cars, but the company has yet to show that this gamble is driving sales in a meaningful way," said Jeremy Acevedo, Edmunds' senior manager of insights. "If the company can't turn the corner with a stable of brand-new SUVs right

"We think the trajectory is im- when shoppers want them most, there could be cause for concern.'

Ford switched the Explorer from front-wheel-drive to rearwheel-drive, and gave it a gaselectric hybrid version for the 2020 model year. The SUV's launch was the most complex in the company's history, spokeswoman Kelli Felker said. For example, 96 percent of the work stations at the Chicago factory had to be changed for the launch, she said.

The company sent the SUVs 260 miles to a plant in Flat Rock for repairs, largely because there is little space around the Chicago factory to store them. Plus, Ford had space and a trained workforce in Michigan to make the repairs, Felker said. Among the problems are loose wiring harnesses, gear displays that aren't activated, faulty seats and an improper shifter cover. "We have higher expectations for our performance," CEO Jim Hackett told analysts on a conference call. President Joe Hinrichs said Ford tried to do too much in the complex launch of the Explorer and Lincoln Aviator. He told analysts that dealers have plenty of inventory now, and the company has learned how to better manager product launches. Also, Ford is having to offer larger discounts on vehicles to keep sales going, Acevedo said. Ford's average discount per vehicle was \$5,361 in Q3, up 1.8 percent from last year, Acevedo said. The spending was \$1,360 above the industry average of \$4,001, according to Edmunds, which provides content for The Associated Press.

GM, FCA Among the OEMs Supporting Move to Halt State's Emission Rule

WASHINGTON (AP) - General The automakers' group, called Motors, Fiat Chrysler, Toyota the "Coalition for Sustainable Auand many others in the auto industry are siding with the Trump administration in a lawsuit over whether California has the right to set its own greenhouse gas emissions and fuel economy standards.

The three companies, plus a

tomotive Regulation," also includes Nissan, Hyundai, Kia, Isuzu, Maserati, McLaren, Aston-Martin and Ferrari.

"The certainty of one national program, with reasonable, achievable standards, is the surest way to reduce emissions trade association called the As- in the timeliest manner," said sociation of Global Automakers, John Bozzella, CEO of Global Automakers and spokesman for the coalition. "With our industry facing the possibility of multiple, overlapping and inconsistent standards that drive up costs and penalize consumers, we had an obligation to intervene." Bozzella said that the group made the decision to intervene on how the standards should be applied. That was even though the group wanted more environmentally friendly standards than the only proposal released so far by the Trump administration. "There's a middle ground that supports year over year increases in fuel economy," and promotes electric cars and innovation, he said. The Trump administration has proposed freezing the standards at 2021 levels through 2025. A final proposal is expected by the end of the year. Many OEMs have said they support increasing the standards, but not as much as those affirmed in the waning days of Obama's administration.

said Oct. 29 they plan to intervene in a lawsuit filed by the Environmental Defense Fund against the administration, which is planning to roll back national pollution and gas mileage standards enacted under the Obama administration.

In the past, most of the industry had taken the stance that it wanted one standard, and it preferred that California and the Trump administration work out differences to develop it. Negotiations haven't gone anywhere, and in September, President Donald Trump announced his administration would seek to revoke congressionally California's granted authority to set standards that are stricter than those issued by federal regulators.

The automakers decided to intervene in the lawsuit over the issue of California's right to set standards. By intervening, the automakers changed their stance to siding with the Trump administration against the state.

Revenue fell 2 percent to \$36.99 billion, partly because the company bungled the launch of the new Ford Explorer SUV. Sales of the highly profitable Explorer were down 48 percent for the quarter as quality problems forced the company to hold shipments to dealers.

Ford's revenue also beat Wall Street estimates of \$36.87 billion, according to data provider Fact-Set.

Included in the restructuring charges was \$800 million to reduce the value of assets in India, where the company formed a joint venture with Mahindra, as well as ending its Chariot ridehailing service.

Chief Financial Officer Tim Stone said Ford is making progress, emphasizing improved free cash flow to \$200 million. He said the automaker is rolling out the right portfolio of new products, restructuring to improve productivity, and developing smart autonomous vehicles.

Manufacturing Day Shows Opportunities

There was a time in her life when Jaclyn Radford, 21, thought computer numerical control would be in her future.

That is, until she attended a Manufacturing Day event as a sophomore at Capac High School and discovered she thought being a CNC operator looked like the most boring job.

"I went yeah, this is not for me," she said.

However, six years later, Radford is actually in the manufacturing field. She is an electrical technician for Blue Water Controls, a custom automation equipment provider in Clyde Township. And she loves it.

"It's something different every day," she said.

There's no one set job with the position. She builds electrical panels and assembly machines, does field wiring and programs censors. There's all this planning and designing and she gets to see it all work at the end.

"It's a really rewarding job," she said.

But Radford does not think anyone associates her job with manufacturing. She definitely didn't when she was in high school. That's what Manufacturing Day is for, opening peoples' eyes to what the field of manufacturing offers.

Although the day is held annually on the first Friday of October, schools and businesses throughout St. Clair County and Michigan worked together so high school students could visit

PORT HURON, Mich. (AP) - manufacturers throughout the month, the Port Huron Times Herald reported.

> Some companies have participated for years, like the Marysville SMR Automotive Systems USA, Inc. plant.

> Terri McKinnie, employee engagement coordinator, said the company wants the next generation of kids to be exposed to jobs in manufacturing facilities.

> The company is always looking for future employees who bring fresh ideas to the table. But this opportunity also opens the students' eyes to options out there like an alternative to college if they don't want to take that path, she said.

Some companies participated in Manufacturing Day for the first time this year, like Blue Water Controls, which was excited to host 83 high school sophomores from Memphis on Oct. 18, manager Debby Wolfe said in an email.

There were six stations set up where students learned about the mechanical and control designs, machining, welding, assembly and programming of robots. Most stations were handson, giving students the opportunity to fully integrate themselves in the process, she said.

Are students and manufacturers seeing the benefits?

"It's certainly something very important to ZF and the indussaid Tony Sapienza, North try." America communications director for auto supplier ZF, whose Marysville plant also gave students tours.

Sophomore year is a point in a lot of students' lives where they have to make choices about where they want their future to take them, said Mike Palmer, Port Huron High School principal.

These choices include whether the students want to be a part of the tech program, whether they want to enroll in the Blue Water Middle College Academy or if they want to dive into STEM classes and engineering.

The school wants students to get experience through things like Manufacturing Day tours so they can see what the jobs are like in real life and get prepared for what it takes to get there, Palmer said.

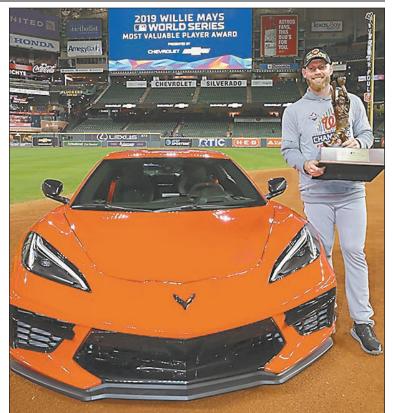
Radford said if there was a book with all the jobs in the world on it, it would be a very overwhelming and big book.

Through Manufacturing Day students might see something they could do for the rest of their lives. Or, they could discover it is something they're really not interested in.

Even cutting potential jobs out of the playing field can help focus students' choices and help them find what they're really passionate about, Radford said.

She does think Manufacturing Day events work and open a world to students that they might not have known about.

Nate Tank, the organizational development specialist at the Marysville ZF plant, said Manufacturing Day is a "neat opportunity, especially in St. Clair Coun-



World Series MVP Stephen Stasburg with his 2020 Corvette Stingray

Chevy Stingray an MVP Car

Stephen Strasburg was named the Most Valuable Player (MVP) of the 2019 World Series - earning him a 2020 Chevrolet Corvette Stingray.

It took the Washington Nationals of the National League seven games to beat the Houston Astros and Strasburg was the first pitcher to win the Willie Mays MVP trophy since 2014, when it went to Madison Bumgarner of the San Francisco Giants. Strasburg's victory in game six

on Oct. 29 was his fifth victory in the post-season. He also was the winning pitcher in game two, played on Oct. 23.

Chevrolet has had a strong relationship with professional baseball. The brand also donated a 2109 Silverado 1500 LT Trail Boss to the 2019 All-Star MVP Shane Bieber of the Cleveland Indians.

And Chevrolet has long been a sponsor of Chevy Youth Baseball is a community-based program through the Chevy Cares philanthropic initiative that empowers the next generation of Major League hopefuls to stay active, develop self-esteem and learn important life lessons like teamwork, said GM spokeswoman Katie Minter.

Since 2006, the program has offered nearly 2,000 free clinics and helped 8 million aspiring baseball players through equipment and uniform donations and field refurbishment.

This year Chevy worked with Houston Astro José Altuve to support youth sports development. Altuve was a Chevy brand ambassador on a variety of projects, including the brand's longstanding investment in Chevy Youth Baseball and Chevy Youth Baseball clinics.

"I owe everything I am today to the skills I learned playing youth baseball," said José Altuve, Houston Astros second baseman. "My partnership with Chevy and Chevy Youth Baseball is a natural fit and a great way to continue to connect with and inspire future all-star hopefuls.'

Rock Financial and Quicken Loans are sponsoring the creation of a special downtown shopping area for the holidays made up of local businesses.

Rock Financial Supports Christmas Shopping Downtown

Bedrock and the Quicken Loans ent while creating unique experi-Community Fund have sponsored the return of the Downtown Detroit Markets for a third consecutive holiday season. Detroit-area small businesses will be popping up to join Detroit's emerging retail scene while providing engaging experiences for local residents, visitors from Southeast Michigan and out-of-town travelers.

As part of Bedrock and the

ences in the city.'

Bedrock and the Quicken Loans Community Fund are both mission-driven and passionate about ensuring local entrepreneurs are supported. Each business featured in the Downtown Detroit Markets, is Detroit-based, female-owned or minority-owned - 77 percent of the businesses are female-owned.

The Downtown Detroit Markets,

fer their products as part of the Ouicken Loans Community Fund's continued investment in their success. Winners receive ongoing mentorship, support and guidance from the Quicken Loans Community Fund's entrepreneurship team.

The Cadillac Lodge will be returning this winter season, providing a beautifully designed space for people to warm up and gather

competition the opportunity to of- large-scale holiday decor will complement the space.

Cadillac Square and Capitol Park are programmed and managed by Downtown Detroit Partnership.

Businesses participating include: • Awanya;

- Detroit Fiber Works;
- Dutton Farm Market;
- · Ferosh Chick;
- Mongers' Provisions;
- SMPLFD;

Quicken Loans Community Fund's mission to support the local entrepreneurial community, each business featured in the Downtown Detroit Markets is Detroit-based, female-owned or minority-owned. Merchandise ranging from fiber artwork to motivating temporary tattoos and locally inspired streetwear will provide all attendees a sampling of Detroit's unique culture.

This season, we will be working with an eclectic mix of small businesses offering products that truly have something for everyone to enjoy," said Francesca George, Bedrock's director of Experience. "The Downtown Detroit Markets have proven themselves to be a successful platform for local entrepreneurs to test out the downtown retail scene – and we know this season will be the best one vet. As downtown Detroit continues to establish itself as a retail and entertainment destination, Bedrock stays committed to developing innovative ways to support local tal-

the Cadillac Lodge and the entire activation in Cadillac Square are funded through an investment by the Quicken Loans Community Fund, the philanthropic arm of Ouicken Loans, the nation's largest mortgage lender, and Bedrock, one of the city's largest real estate partners.

"Year after year, the Downtown Detroit Markets have supported inclusivity, vibrancy and resiliency all across the city by building connections between local entrepreneurs and the growing retail market in downtown Detroit," said Laura Grannemann, vice president of Strategic Investments for the Quicken Loans Community Fund. "These markets are not only a unique opportunity for Detroit businesses, but also a beautiful, festive space for all to come together throughout the holiday season."

This year, there will be a market dedicated to Quicken Loans Detroit Demo Day, providing winners of the annual entrepreneurship

with friends and family. Operated by

The Iconic Collection, festive drinks and snacks will be served in the space along with smores kits to be used at the outdoor fire pits.

The Cadillac Lodge will be providing capacity for local vendors to pop-up and showcase their goods, including Eastern Market Brewing Co. and Blake's Hard Cider. The space will also be available for private event rentals, please contact afardell@theiconiccollection.com for more information.

Family-owned nursery, Greystone Gardens, will be featured in Capitol Park selling Christmas trees, wreaths and holiday greenerv.

Residents of the area's rapidly growing residential corridor will have the opportunity to purchase traditional evergreen trees and garland as well as more modern foliage from the garden, commonly known as Lloyd's Tree Farm, for the third season in a row. Outdoor seating with fireplace lounges and

- The Vintage Wick;
- Wild Little Fawns;
- Detroit Dough;
- Eli Tea;
- Good Cakes & Bakes;
- Healthy Roots Doll.

Dates and Hours of Operation **Downtown Detroit Markets:**

- Wednesday, Nov. 13, 2019 Wednesday, Jan. 1, 2020.
- Monday & Tuesday closed
- Wednesday & Thursday 11 a.m. – 8 p.m.
- Friday & Saturday 11 a.m. 10 p.m.
- Sunday- 11am 7p.m.

Cadillac Lodge

- Wednesday, Nov. 13, 2019 -Sunday, Jan. 26, 2020
- Monday & Tuesday closed for private events
- Wednesday 4 p.m. 9 p.m. Thursday & Friday – 4p.m. – 11 p.m.
- Saturday 11 a.m. midnight.
- Sunday 11 a.m. 10 p.m.

Spartan Motors Reports Profits

CHARLOTTE, Mich. (AP) -Spartan Motors Inc. (SPAR) on Oct. 31 reported company thirdquarter net income of \$10.4 million.

The Charlotte-based company said it had profit of 29 cents per share. Earnings, adjusted for one-time gains and costs, were 35 cents per share.

The maker of chassis for fire trucks. RVs and other vehicles posted revenue of \$289 million in the period.

Company officials said that Spartan Motors expects full-year earnings in the range of 89 cents to 93 cents per share, with revenue in the range of \$990 million to \$1 billion.

Spartan Motors shares have more than doubled since the beginning of the year.

The company's stock has increased 42 percent in the last 12 months.

Experts Review Buying VW Refurbished Diesel Cars

(AP) - As outrage over the Volkswagen emissions-cheating scandal fades, the refurbished diesel vehicles are trickling back into the marketplace, and bargain hunters may want to snap them up.

In 2015, Volkswagen was forced to either buy back or fix some 590,000 diesels after it was discovered they had been rigged to pass emissions tests. The diesels, made by Volkswagen, Porsche and Audi between model years 2009 and 2016, have been repaired to truly meet emissions standards and are now being sold, mostly through Volkswagen dealers, with enhanced warranties.

"They're terrific all-around cars," says Mark Holthoff, editor at Klipnik.com, a community website for used car enthusiasts. Besides outstanding fuel economy and an extended range, he said, the VW diesels provide luxury touches found in more expensive cars. And despite their diminutive appearance, they have spacious interiors.

"It's amazing how a good deal will change your mind" about the scandal, says Joe Wiesenfelder, executive editor at Cars.com. He said that editors on his staff liked VW diesels because they have great fuel economy and are fun to drive. They deliver pleasing off-the-line acceleration, due to a turbocharged engine, and can come with a manual transmission.

Cars.com tested one of VW's diesels, a 2013 Jetta SportWagen TDI, both before and after the emissions repair. TDI is VW's abbreviation for "Turbocharged Direct Injection," where the fuel is delivered to the engine more efficiently.

Cars.com editors found that the fix for their vehicle - a software upgrade and an improved catalytic converter - actually improved acceleration and sacrificed just 1 mpg from the fuel economy, dropping it to 42.4 mpg on a test drive. "This meant the driving experience was almost unchanged," Wiesenfelder says.

The popularity of the VW TDIs comes from the fact that there is no other car quite like them.

Chevrolet has offered a diesel engine in its now-discontinued Cruze, but Wiesenfelder found it sluggish compared with the TDIs. Both Honda and Mazda considered introducing diesels, but they never appeared in the U.S.

Prior to the scandal, new cars with diesel engines cost \$4,000-\$6,000 more than the same model with a gasoline engine, says Jeremy Acevedo, Edmunds' senior manager of insights. But now that premium has narrowed for the refurbished used diesels.

Comparing the VW diesels and their gasoline counterparts from the 2015 model year, the diesels have sold for only \$1,286 more, on average, Acevedo says. Many diesels have low miles for their model year, providing even more value for the next owner.

After VW's extensive buyback program, photos circulated on the internet showing acres of parked diesels in giant lots across the country. While a VW statement said the cars were "routinely maintained," having cars sit idle for so long might make some buyers nervous.

"Cars age better if they are driven regularly," admits Wiesenfelder. But he said the fears of the effects of disuse can be offset by "a robust warranty."



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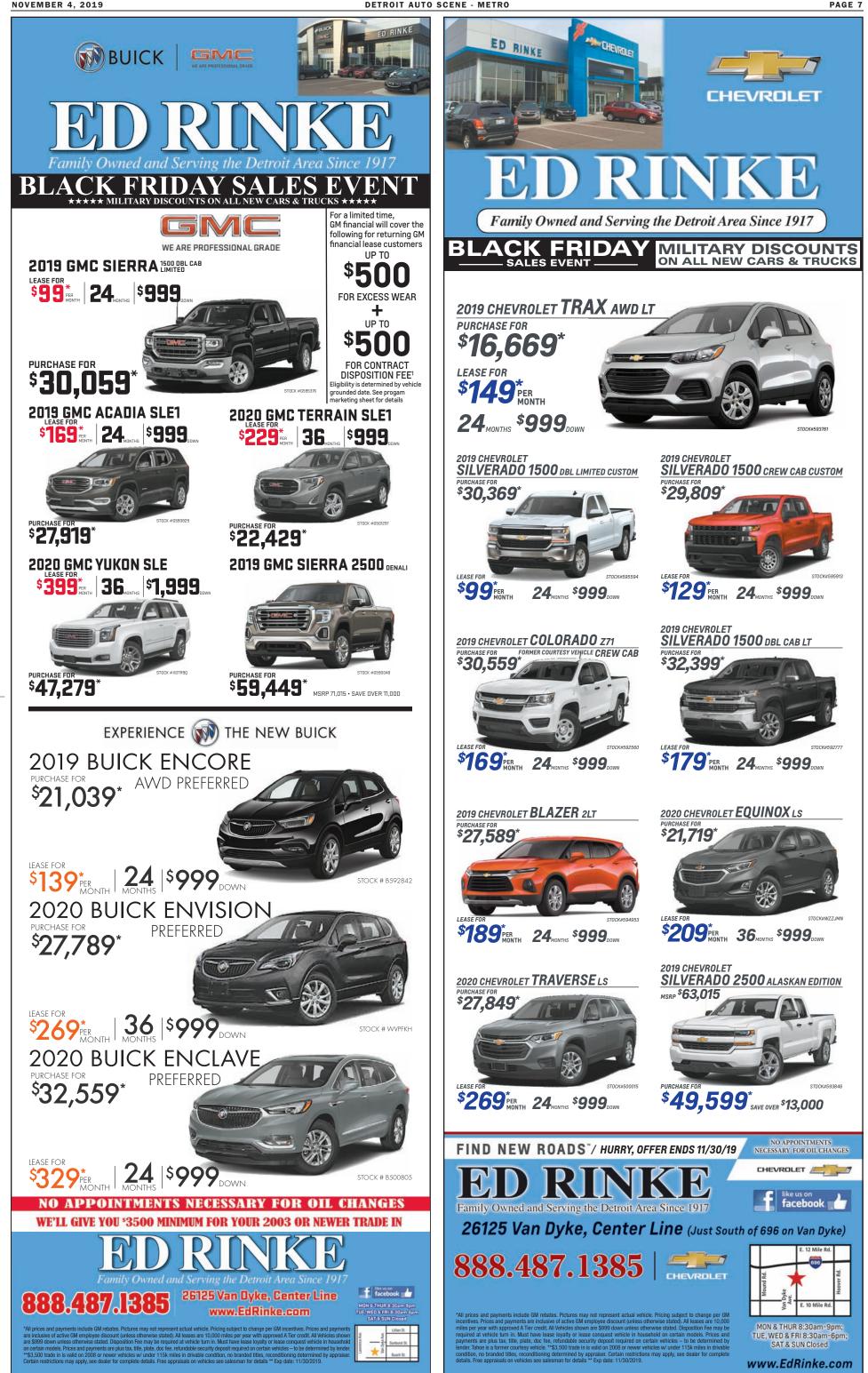
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