



# **SALARIED PERSONNEL ACTIONS**

- **Salaried Personnel Levels – restructure business to fit current demand**
  - **Reduced salaried personnel by 36% over the past three years – includes 10% reduction effective February 2009**
  - **Reduced contract personnel by 50%**
- **Compensation & Benefit Changes**
  - **Eliminated 2009 merit increases and bonuses**
  - **Suspended 401k match, tuition assistance and dependent scholarships**
  - **Capped retiree life insurance at \$25k**
  - **Improved cost effectiveness of benefit programs through more efficient plan offerings and increased employee cost sharing**

**Concurrently, we continue efforts to ensure a skilled and engaged team by:**

- **Conducting leadership development programs**
- **Developing future leaders through various developmental functional programs**
- **Providing flexible work arrangements for maximum workforce efficiency and effectiveness**
- **Conducting transparent communications with employees**
- **Conducting events focused on future products to build employees' confidence in the future of the company**

**HOURLY LABOR COST DISADVANTAGE VS. TRANSPLANTS  
SUBSTANTIALLY REDUCED WITH LATEST UAW AGREEMENT**



	<u>Ford</u>		<u>Transplants</u>
	<u>Without UAW VEBA</u>	<u>With UAW VEBA</u>	
<b>Wages</b>	<b>\$ 29</b>	<b>\$ 29</b>	<b>\$ 26</b>
<b>Wage-Related</b>	<b>14</b>	<b>14</b>	<b>9</b>
<b>Subtotal</b>	<u><b>\$ 43</b></u>	<u><b>\$ 43</b></u>	<u><b>\$ 35</b></u>
<b>Legacy Cost</b>	<b>16</b>	<b>3</b>	<b>3</b>
<b>All Other</b>	<u><b>12</b></u>	<u><b>12</b></u>	<u><b>11</b></u>
<b>Total</b>	<u><u><b>\$ 71</b></u></u>	<u><u><b>\$ 58</b></u></u>	<u><u><b>\$ 49</b></u></u>

**Memo:**

**Average Wage Assuming 20%  
Entry-Level Employees**

**\$ 53**

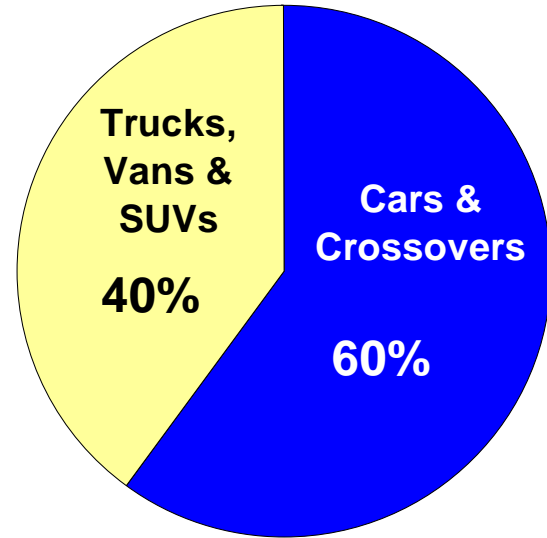
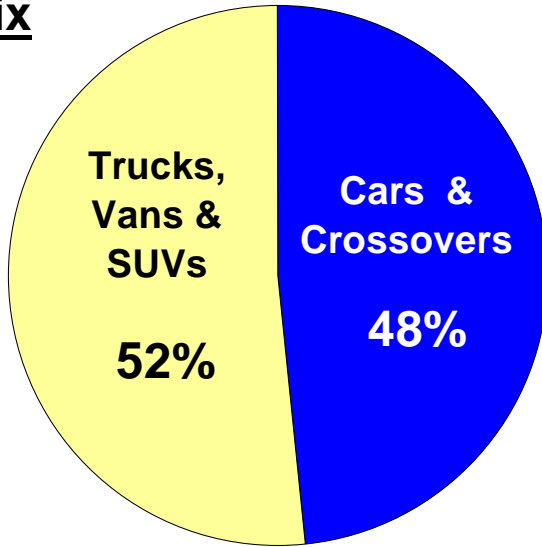


# BALANCED PORTFOLIO OF PRODUCTS

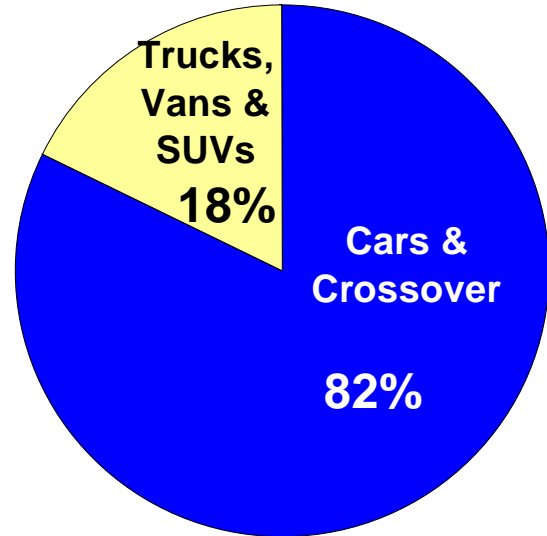
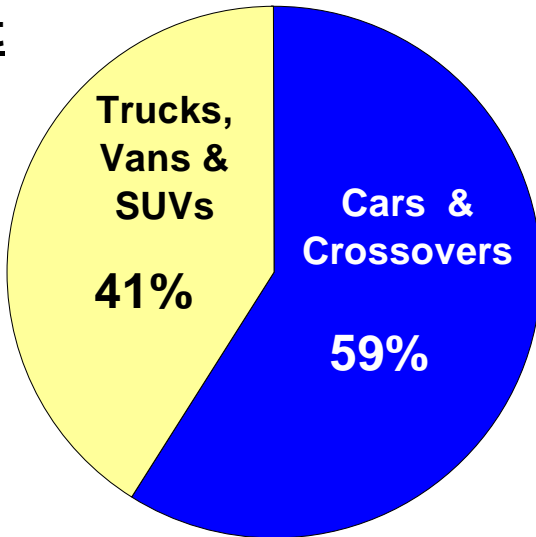
2007

2010

## Product Mix



## Investment





# SUSTAINABILITY PLAN

