



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>	
Wages	\$ 29	\$ 29	\$ 26
Wage-Related	14	14	9
Subtotal	<u>\$ 43</u>	<u>\$ 43</u>	<u>\$ 35</u>
Legacy Cost	16	3	3
All Other	<u>12</u>	<u>12</u>	<u>11</u>
Total	<u><u>\$ 71</u></u>	<u><u>\$ 58</u></u>	<u><u>\$ 49</u></u>

Memo:

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

\$ 53

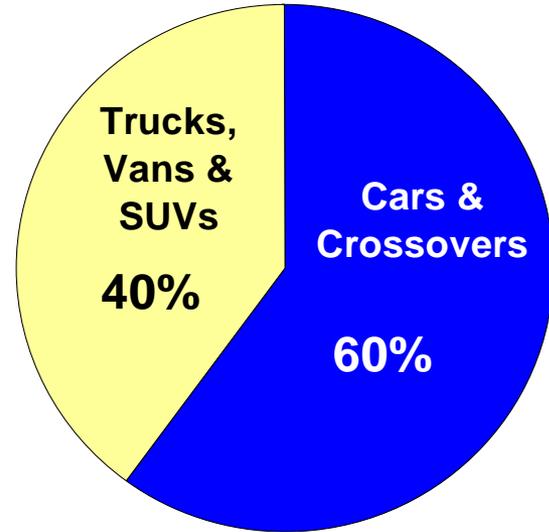
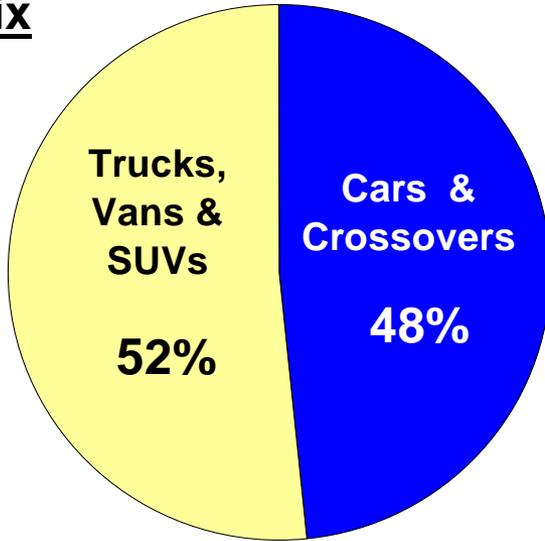


BALANCED PORTFOLIO OF PRODUCTS

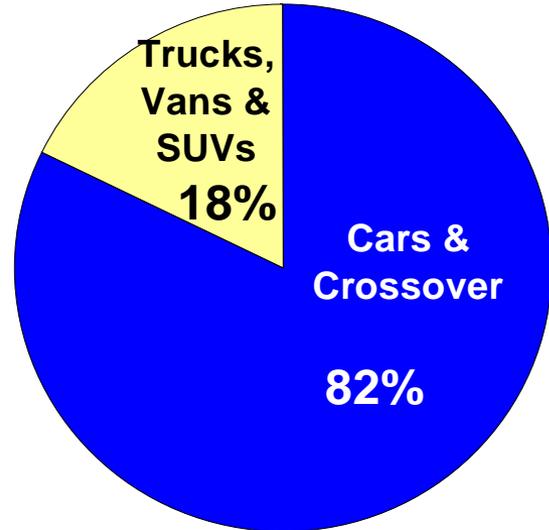
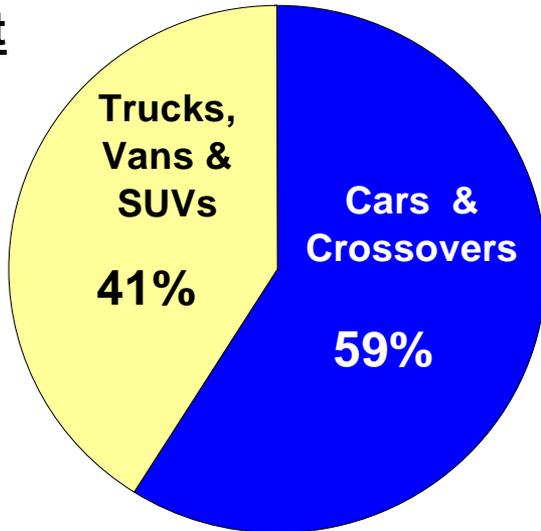
2007

2010

Product Mix



Investment





SUSTAINABILITY PLAN

