

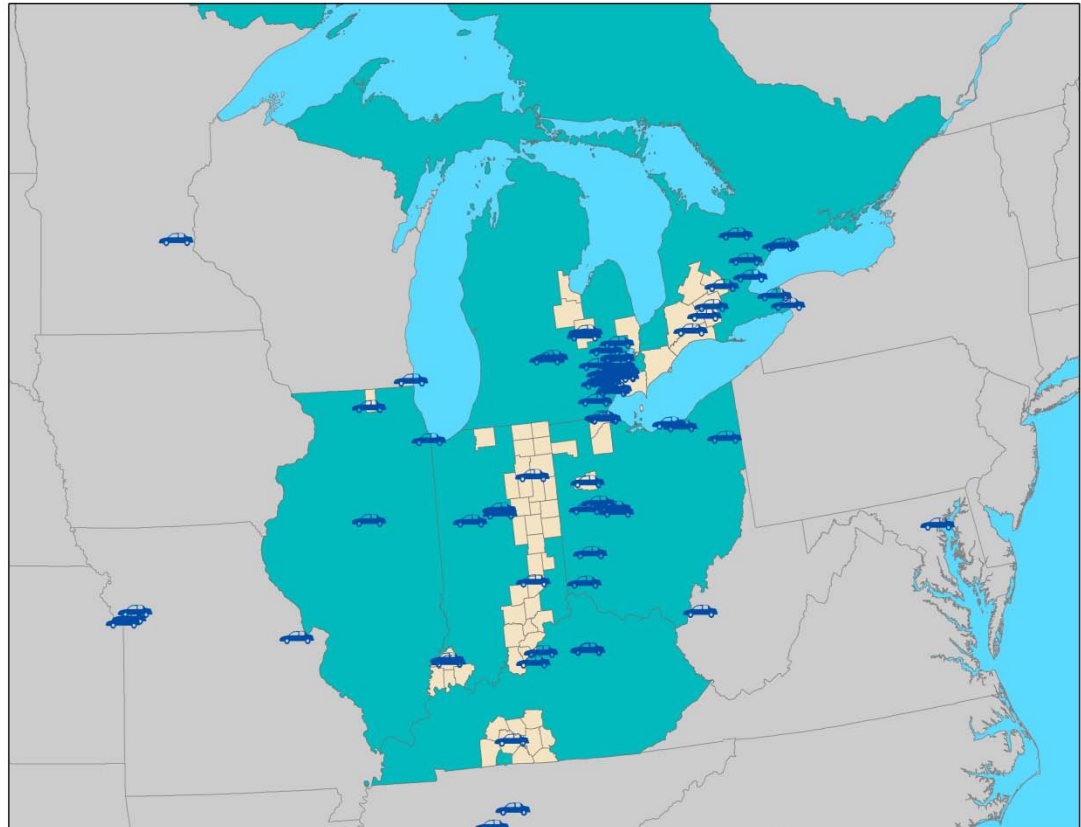
The U.S. Auto Industry and Its Regional Impact

Tri-State Manufacturers Alliance

4th Quarter Event

Evansville, IN

November 10, 2010



Communities working together

No Time To Walk Away!

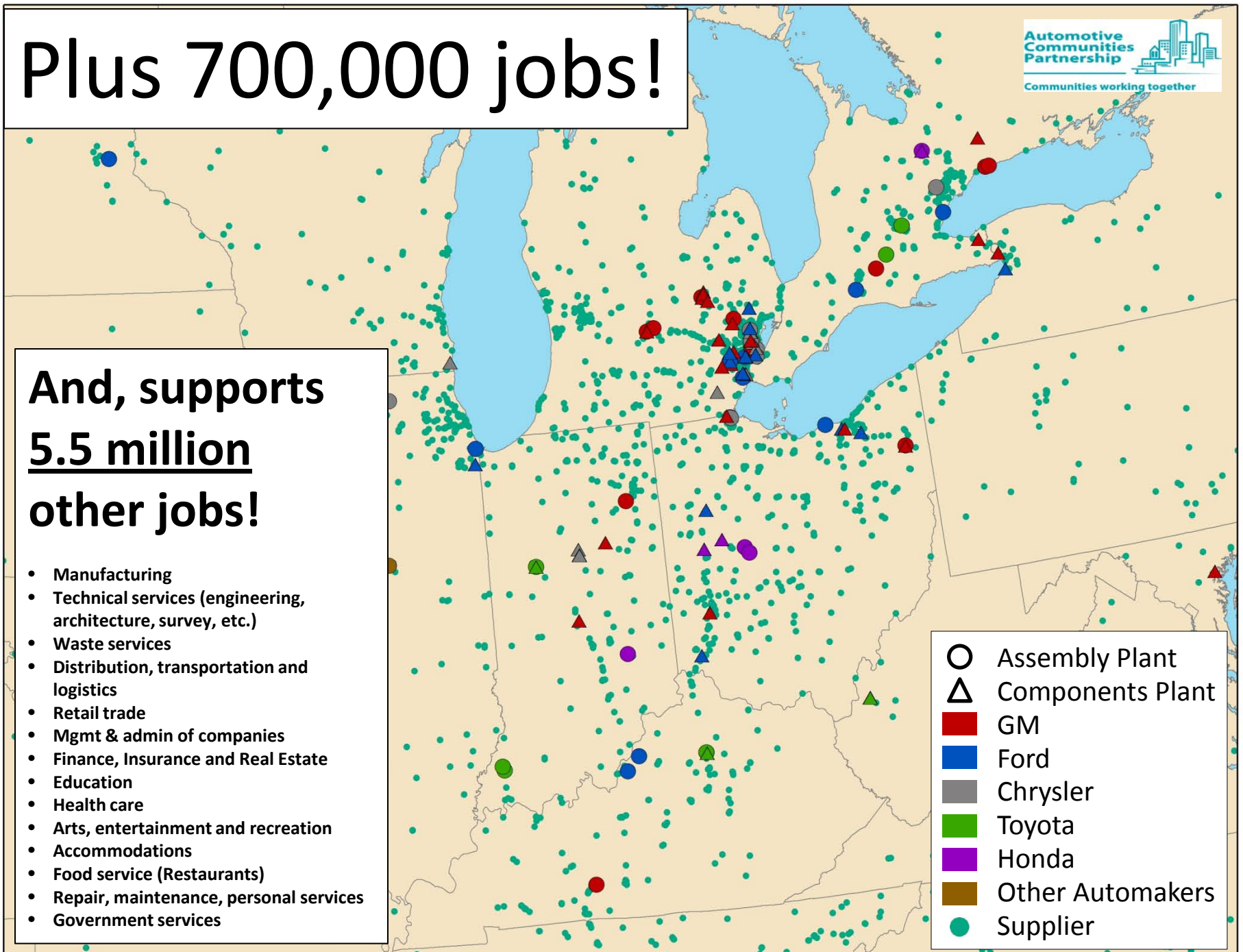


Plus 700,000 jobs!

And, supports 5.5 million other jobs!

- Manufacturing
- Technical services (engineering, architecture, survey, etc.)
- Waste services
- Distribution, transportation and logistics
- Retail trade
- Mgmt & admin of companies
- Finance, Insurance and Real Estate
- Education
- Health care
- Arts, entertainment and recreation
- Accommodations
- Food service (Restaurants)
- Repair, maintenance, personal services
- Government services

- Assembly Plant
- △ Components Plant
- GM
- Ford
- Chrysler
- Toyota
- Honda
- Other Automakers
- Supplier



2010 Automaker Investments

Chrysler, Auburn Hills Headquarters - \$15M
 Chrysler, Sterling Heights Assembly Plant - \$20M
 Ford, Dearborn Headquarters - \$15M
 Ford, Rawsonville Components Plant - \$10M
 Ford, Wayne Michigan Assembly - \$441M
 Ford, Wayne Stamping Plant - \$80M
 GM, Hamtramck Assembly - \$120M
 GM, Warren Technical Center - \$15.7M
 Ford, Windsor Essex Engine Plant - \$420M

Think, Elkhart - \$43.5M

Lansing Grand River Assembly - \$190M

GMPT Bay City - \$62.5M

Etobicoke Casting - \$27.2M

Chicago Manufacturing - \$400M

Tonawanda Engine - \$825M

Kokomo - \$343.3M

St. Catharines Powertrain - \$480M

Subaru, Lafayette - \$81M

Defiance Foundry - \$174M

Bedford Foundry - \$111M

Allison/Baltimore Transmission - \$23.5M

Fairfax Assembly - \$136M

Sharonville Transmission - \$320M

\$4.2 Billion in Great Lakes region

Nissan, Smyrna - \$1.7B

- Assembly Plant
- △ Components Plant
- GM
- Ford
- Chrysler
- Toyota
- Honda
- Other Automakers



Spring Hill - \$483M

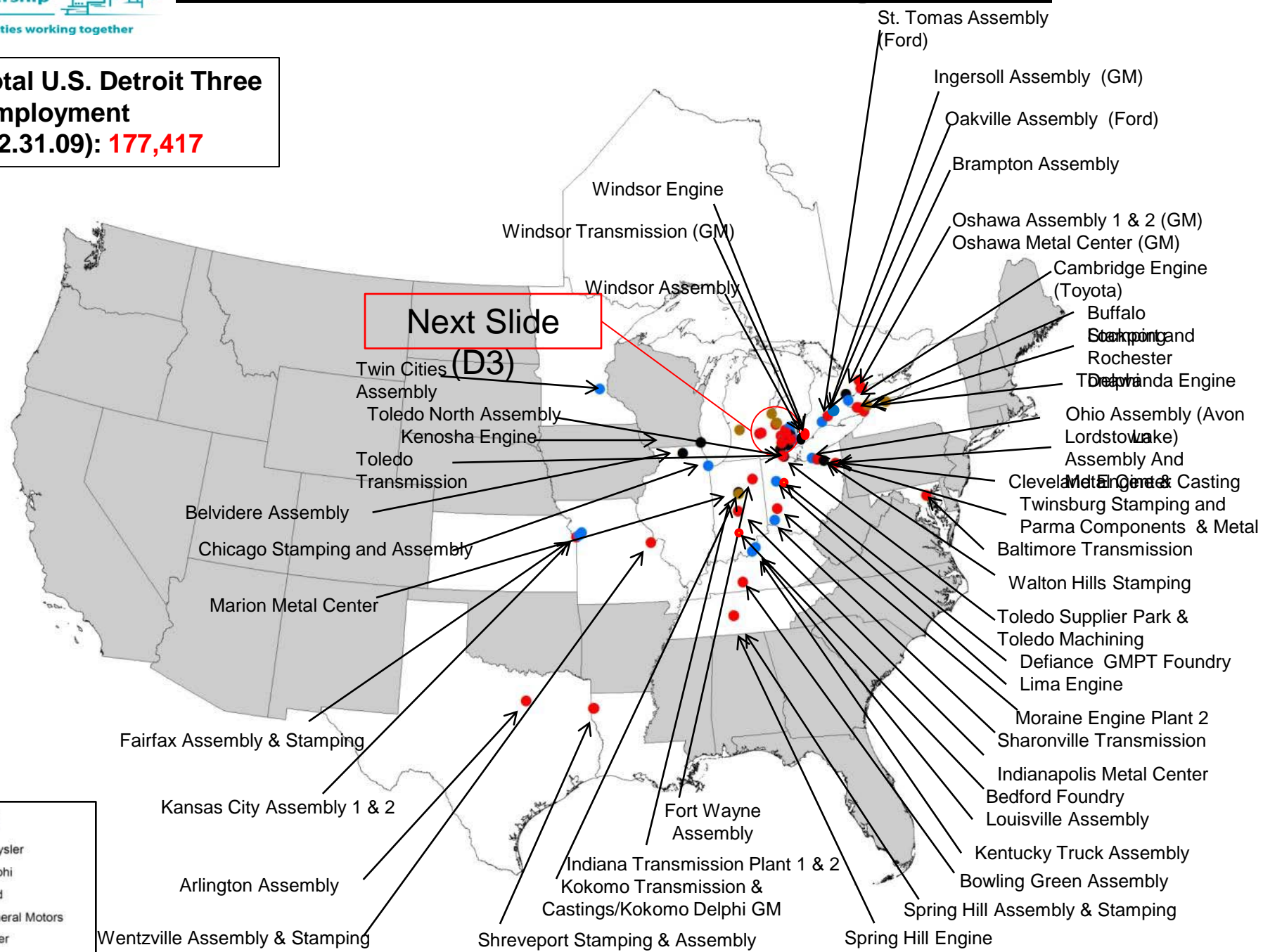
Detroit Three Manufacturing Plants

Total U.S. Detroit Three Employment (12.31.09): 177,417

Next Slide

Legend

- Chrysler
- Delphi
- Ford
- General Motors
- Other



Detroit Three Manufacturing Plants

Continued (List)

- Detroit Three in Michigan

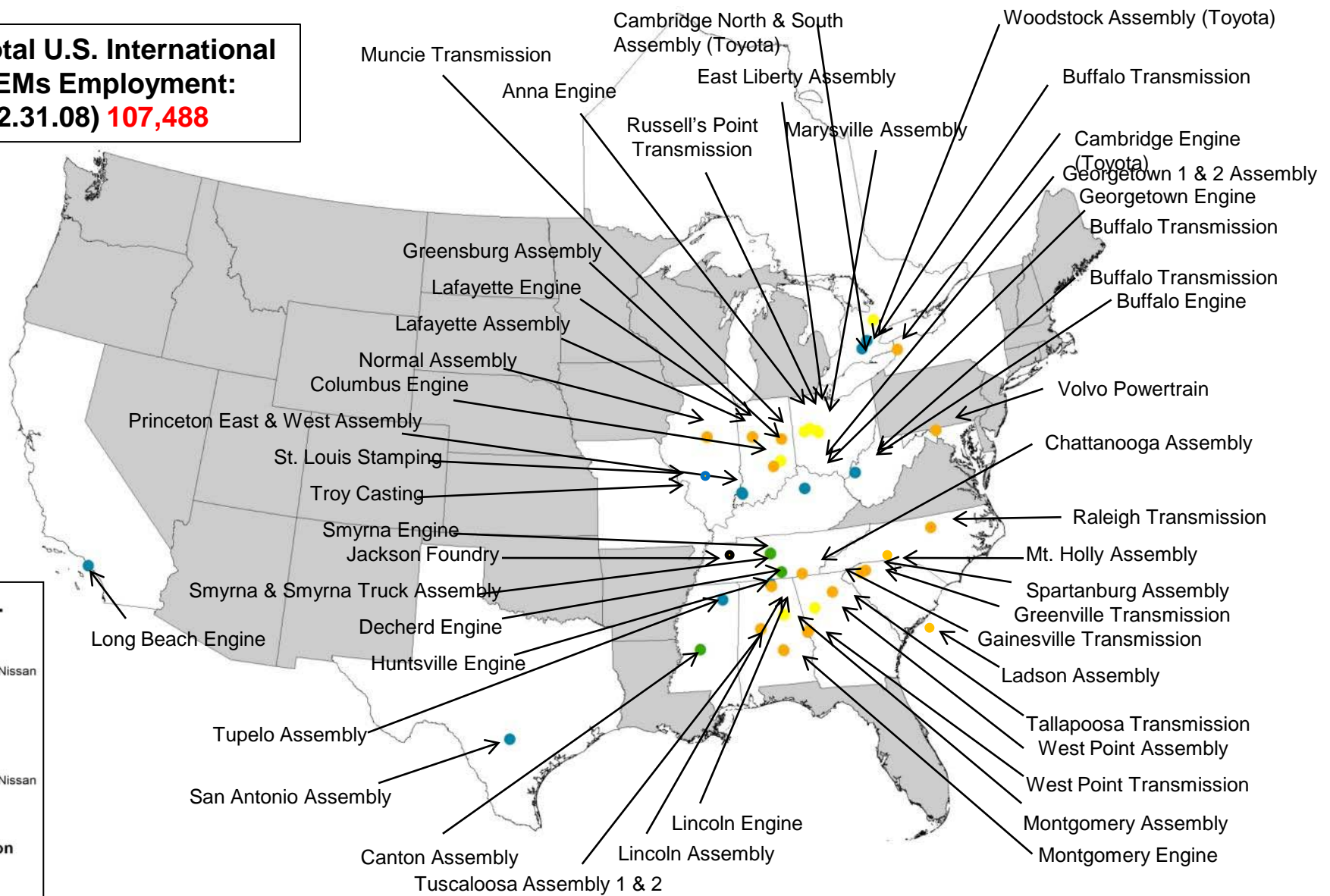
Dearborn Truck (Rouge) Assembly
 Dearborn Engine and Fuel Tank
 Dearborn Engine
 Dearborn Diversified
 Dearborn Stamping
 Dearborn Tool and Die
 Detroit-Hamtramck Assembly
 Conner Avenue Assembly
 Jefferson North Assembly
 Conner Avenue Engine
 Mack Avenue I & II Engine
 GEMA Dundee Engine
 Flint Components
 Trenton Engine
 Livonia Engine
 Center Line Packaging
 Lynch Road Terminal Support
 Marysville Axle
 Marysville Coating

Auto Alliance Assembly
 Flint Truck Assembly
 Flint #2 (Flint South) Engine
 Orion Assembly
 Lansing Delta Township Assembly
 Lansing Grand River Assembly
 Livonia Transmission
 Romeo Engine
 Romulus Engine
 Detroit Axle
 Mt. Elliot Tool & Die
 Rawsonville Stamping
 Sterling Axle Plant
 Woodhaven Forging
 Bay City GMPT
 Saginaw Metal Casting
 Flint Metal Center and Flint
 Tool and Die
 Grand Blanc Weld Tool Center
 Pontiac Metal Center
 Wayne Stamping Plant

Sterling Heights Assembly
 Van Dyke (Sterling Heights)-
 Transmission
 New Trenton Engine (2010)
 Warren Truck Assembly
 Warren Transmission
 Michigan Truck/Michigan Assembly
 Wixom Engine (Performance Build Center)
 Ypsilanti (Willow Run) Transmission
 Pontiac Pre-Production Op. Other
 Troy Die Design
 Sterling Stamping
 Warren Stamping
 Woodhaven Stamping
 Lansing Regional Stamping
 Flint GM Delphi
 Grand Rapids GM Delphi
 Saginaw GM Delphi
 Brownstown Battery Pack Assembly

International Automotive Manufacturing Plants

Total U.S. International OEMs Employment: (12.31.08) 107,488



Legend

Assembly

- Honda
- Renault/Nissan
- Toyota
- Other

Engine

- Honda
- Renault/Nissan
- Toyota
- Other

Transmission

- ▲ Honda
- ▲ Toyota
- ▲ Other

Bernard

New Technologies from the Great Lakes Region

- We have long predicted that as demand for new technology increases, companies will increase manufacturing of advanced powertrain and other cutting-edge components in this region
- Confirms the need to be in this region. The new technologies needed by the global automotive industry will continue to emanate—in a substantial way—from this region of the globe.
- 18 of Top 20 NA Suppliers are headquartered in the region, 85% of top 150

Top States for Automotive R&D Spending in Millions (2007)

1. Michigan	\$11,783	(73.5%)
2. Ohio	\$1,236	(7.7%)
3. Indiana	\$546	(3.4%)
4. New York	\$316	(2.0%)
5. Illinois	\$208	(1.3%)
6. North Carolina	\$190	(1.2%)
7. Missouri	\$190	(1.2%)
8. Pennsylvania	\$85	(0.5%)
9. Oregon	\$79	(0.5%)
10. South Carolina	\$71	(0.4%)
11. Minnesota	\$70	(0.4%)
12. Tennessee	\$68	(0.4%)
13. Arizona	\$62	(0.4%)
14. Texas	\$61	(0.4%)

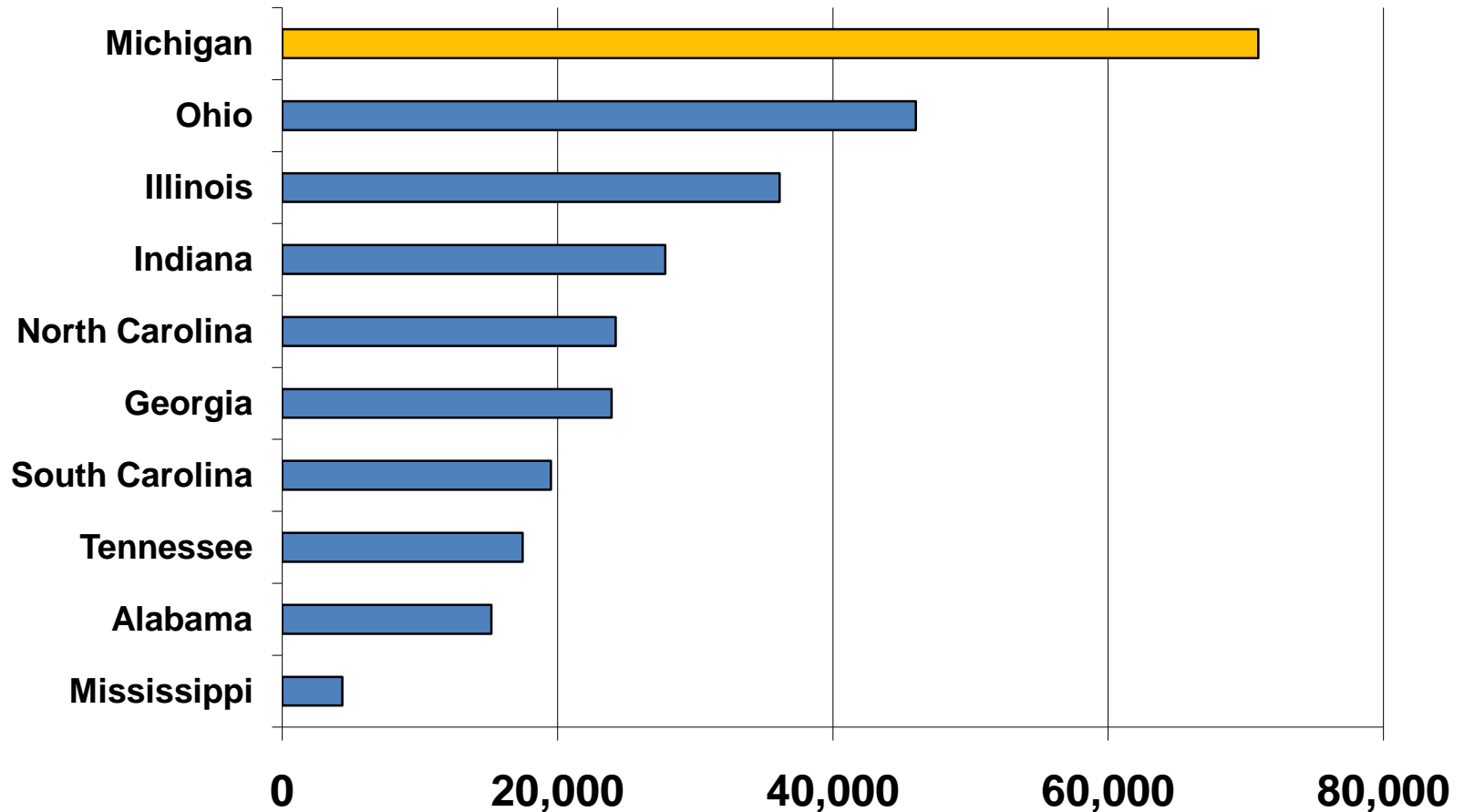
Ontario/Canada ~ \$1,000

Source: National Science Foundation

Notable States where spending was Not Disclosed: KY, MS, WI

Automotive Engineering*

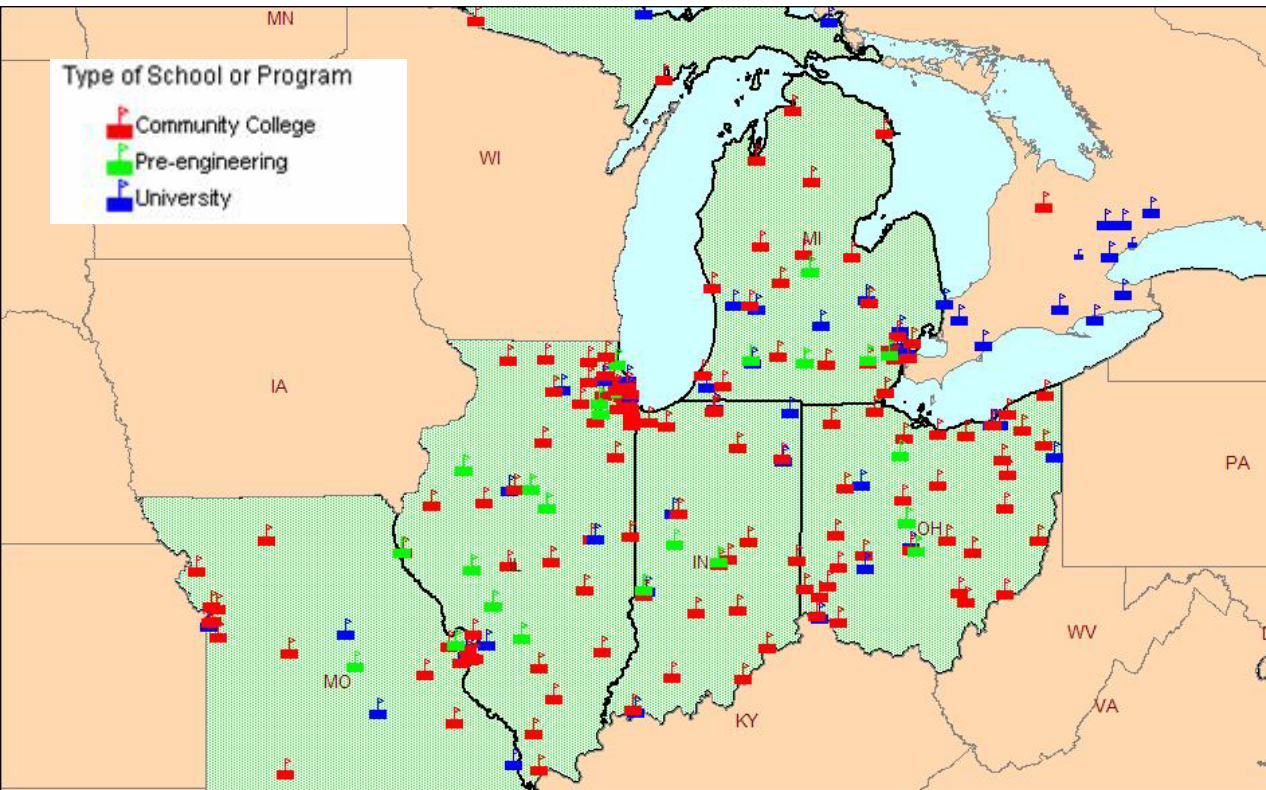
Employment by State



*Mechanical, Electrical, and Industrial Engineers
Source: BLS, May 2008

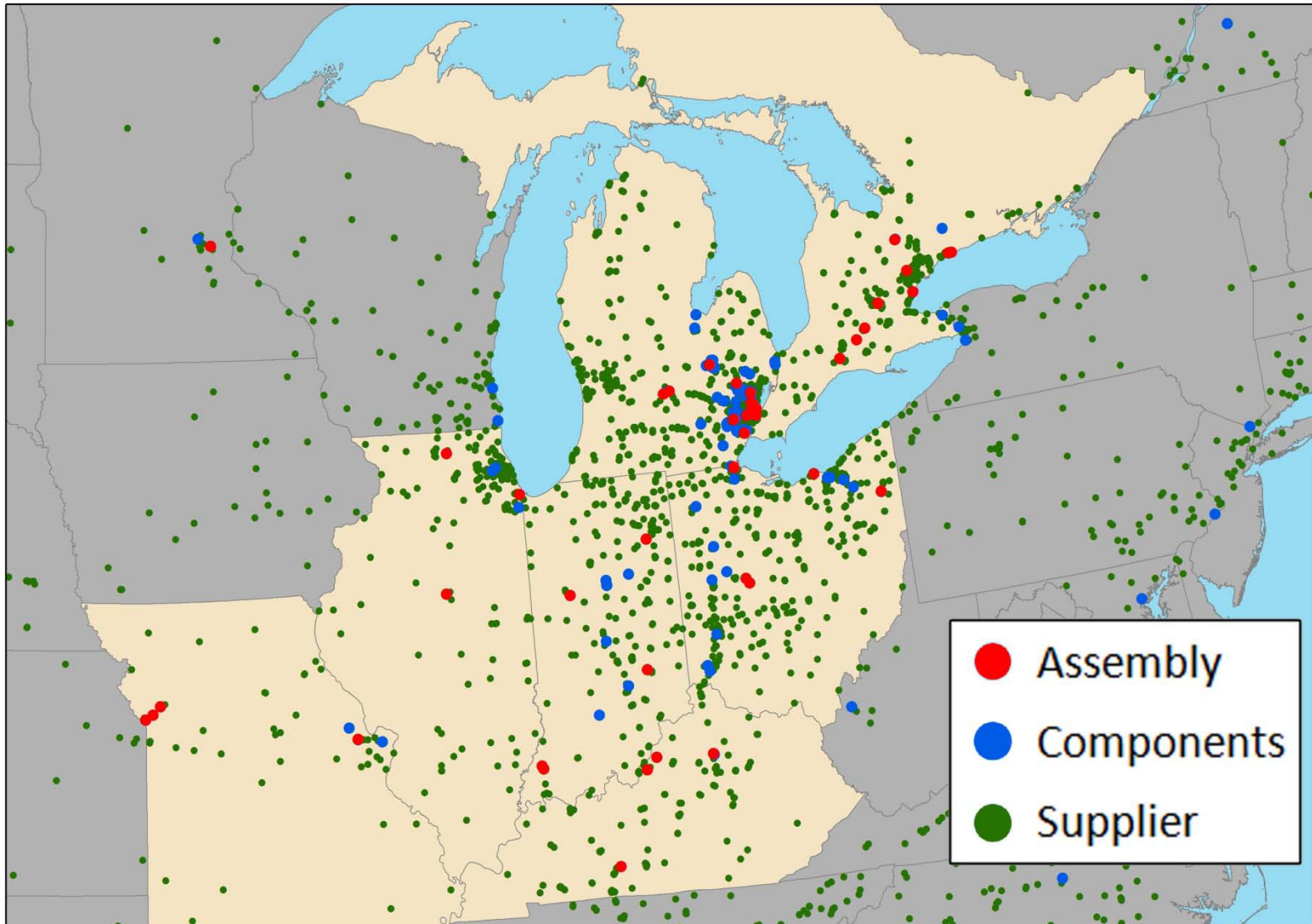
What Attracts Automotive Investment?

➤ Educational infrastructure (future needs)



- 77 Four-year Universities with Engineering Programs
- 167 Community and Technical Colleges
- Rapidly developing manufacturing human resource shortages (soon to be the top factor for location)
- Training infrastructure second to none.

An Integrated Industry



Ross

Community-based Research

CAR-ACP



Green Jobs in the Automotive Industry

- US-DOL project in MI-IN-OH
- Database of industrial, engineering, design, research and other automotive educational programs at community and technical colleges and universities
- Case studies of several programs
- Resource book for communities on available programs to leverage to build workforce readiness and attract investment

Tell us about your local partnerships...



Re-Purposing Industrial Properties

- Database of all closed automotive manufacturing facilities since 1979
- Determine which are being put to new uses, which remain vacant
- Approximately 200 closed major facilities
- Case studies of 6 facilities
- Lessons Learned Guide for Communities
- Opportunities to apply lessons learned in communities

Re-Purposing Industrial Properties

- Shopping Malls
- Neighborhoods
- Condominiums
- Alternative Energy Generation Manufacturing
- Multi-modal Transfer Facility
- Airport Runway

Tell us your stories.....

HOLD THE DATE!

Roads to Renewal II Conference

March 29 & 30, 2011

Hyatt Regency Hotel

Dearborn, Michigan USA



Roads to Renewal II

- **Attracting and maximizing new investment**
- **Growing and retaining local businesses**
- **Attracting Foreign Direct Investment**
- **Building your export base**
- **Re-purposing vacant properties**
- **Pursuing opportunities in new technologies**
- **Establishing incubators and start-ups**
- **Managing community-company relationships**

Roads to Renewal II

- **Best practices, expert practitioners, government and business leaders**
- **Actionable discussions/panels**
- **What you will do the day after the conference**
- **Strategic Advisors**
 - **USDOC-EDA**
 - **University of Michigan-IRLEE**
 - **Detroit Regional Chamber-Great Lakes Manufacturing Council**
 - **OESA**
 - **And, community representatives**

Automotive Communities Partnership: What You Want to Know

- What manufacturing and supplier companies want from communities
- What are the emerging technologies
- Which technologies are becoming obsolete
- Which companies are active in new technology areas
- How to align the skill set of present and future workers with the needs of advanced technology development and production
- How corporate location decisions are made
- Incentivizing green technology investment
- State of the supply base – risks and opportunities
- Plant responses to market shifts and resulting community issues

Bottom Line:

- Billions to be spent on new technologies
- A consortium of communities, states and companies can advocate for, and encourage, this spending to occur in this region
- Emphasize the strengths of the community and region
- This region has been in the advanced manufacturing business for over a century

Upcoming CAR Events

Roads to Renewal II Conference

March 29 & 30, 2011

Hyatt Regency, Dearborn, Michigan USA

Driving Change: Greening the Automotive Workforce

May 3 & 4, 2011

Ford Conference & Event Center
Dearborn, Michigan USA

CAR Management Briefing Seminars

August 1-4, 2011

Grand Traverse Resort & Spa
Traverse City, Michigan USA

For more information visit www.cargroup.org



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