



### **ANOTHER CAR CRASH FOR U.S. JOBS & MANUFACTURING---IS FORD RUNNING OFF THE ROAD BY ABANDONING U.S. MANUFACTURING?**

It is apparent – Ford is going South (to Mexico) – and every other direction to get out of the U.S. as fast as possible.

#### **Where is the National Leadership?**

Ford and other U.S. based companies are moving more manufacturing to Mexico and out to other countries—and no one in government, private enterprise, and/or the companies themselves are doing anything about it.

It looks like that transparency is coming to all aspects of the American economy from scrutiny of Wall Street to the Panama Papers and the fees of financial planners.

#### **Ford is not being Smart or a Good U.S. Corporate Citizen**

Ford in particular is not being smart, responsible or a good corporate citizen with its untimely announcement about moving more production to Mexico ---and is playing into the rhetoric of presidential candidates and the public.

All the claims about how this is not going to impact the current Ford employment in the U.S. is not the point. Lead and the country will follow and support, Ford.

#### **Where is Vehicle Manufacturing volume going?**

IHS Automotive says that Mexican auto production more than doubled in the past decade. They expect current level to increase by another 50%, to 5M vehicles by 2022.

Meantime, U.S. production expected to increase 3 %, to 12.2 M vehicles, in next 7 years. Fiat and GM are moving more manufacturing to Mexico. There at least 18 car manufacturing plants in Mexico right now with 5 or more planned.

## **What is really the effect of the labor cost in Mexico vs the U.S.?**

What would happen if Ford did not move anymore of its manufacturing out of the country? --And to offset or deal with the cost reason for why Ford is and has moved manufacturing to Mexico, they actually increased the price of the Focus,

It would create more jobs, contribute to the U.S. economy, and will over good will with a “Built in America” spirit. Ford could change the way goods are being built, priced and marketed. And be a symbol of corporate leadership

## **What is the labor cost of building a Focus?**

Say it takes an hour to build a one Focus in a Mexican plant? And the labor rate in Mexico is \$15 per hour vs. \$75 per hour in a U.S. Plant---how much will that increase the price a Focus? And then there the transportation cost for a plant in the Mexican state of San Luis Potosi to Ford Distribution Centers in the U.S. Offset by the cost of labor to build the car?

## **Here is what the Detroit New published this week**

*Public perception about moves by Ford and others to Mexico have been largely unfavorable. Many believe automakers are abandoning jobs and production opportunities stateside.*

## **.What could be the solution for Ford and the OEMs?**

- It is time for Ford and other OEM's to sell their value and quality not price.
- Ford has a tremendous opportunity to be “An American Hero Company”
- Ford can step up and lead Apple, United Technologies, and Carrier back to America.
- Ford can level with the U.S. Car Buying Public about cost of building a car & pricing.
- Become transparent about pricing, earning, and corporate responsibility.
- Overhaul the Tax Structure to give OEM's an incentive to build cars in U.S.
- Put a higher tariff on vehicles built in Mexico
- Find out how these manufactured vehicles are transported to U.S. Market
- Get Ford and its dealers to sell quality and value –not price.
- Create Government-Business collaboration. Wake up Congress & both parties.
- Create a forum, commission, or a conference board where the Fed government and Ford can talk out the issues that are driving vehicle manufacturing to Mexico and other countries. [Supposedly these are in place but no visible results]
- Ford could adopts a global policy to sell cars where they are built including Mexico
- Every Ford car or truck sold in the U.S. would be built in the U.S.

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