



Weekly Car Dealers Newsletter

January 4, 2010

This information that follows is taken from sources including *The Carconnection*, *Autoweek*, and other industry sources.

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[SAAB HOPES FLICKER AS SPYKER RESCUE BID DRAGS ON](#)

Spyker Cars pressed ahead with efforts to cut a deal for Saab with General Motors, with talk of possible backing from a Dutch billionaire fanning the Swedish carmaker's faint hopes of an eleventh-hour reprieve. Shares in the Dutch luxury carmaker rose sharply on Tuesday after local media reported the bid, modified after GM said on Friday it would wind Saab down despite Spyker's ongoing interest, had won support from financier Marcel Boekhoorn. But in comments to a newspaper Boekhoorn denied he was involved, and the market remained skeptical that Russia-backed Spyker -- which extended its new offer to buy Saab shortly before it was set to expire on Monday -- would clinch a deal. "The new offer came as a surprise, and now there is the (report) of ... Boekhoorn who slipped in through the back door. That gives the shares a boost," said Keijser Capital trader Michael Jabroer. Russian banking tycoon Vladimir Antonov holds a stake of almost 30 percent in Spyker, and Russia is keen to obtain Western technology to re-energize its car industry. *Source: Reuters*

[IMPROVING FORD MOTOR CO. OFFERS 2ND BUYOUT OF YEAR](#)

Ford offers buyout plan to 41,000

Less than two weeks after Ford Motor Co. said it would restore merit pay and other benefits to its salaried workers, the increasingly successful automaker is offering its 41,000 U.S. hourly workers their second buyout program of the year -- saying it has more workers than it needs.

The offer, aimed at shedding an untold number of workers, comes after more than 70% of Ford's hourly workers last month rejected proposed concessions to their labor contract. Hourly workers have until Jan. 22 to decide whether they want to accept the offer, which Ford spokeswoman Marcey Evans emphasized is voluntary. Production and skilled trades workers are being offered early retirement or lump sum payments ranging from \$20,000 to \$50,000, and other benefits. Source: [Detroit Free Press](#)

AFTER SAFETY RECALLS, TOYOTA'S REPUTATION NEEDS SOME TLC

As carefully crafted brand images go, it's hard to beat Toyota's. Over a generation or so, Toyota built its reputation — and U.S. market share — on dependability, at a time when General Motors, Ford Motor and Chrysler couldn't shake being identified with lemons. But Detroit's nemesis lately has suffered through its own run of bad press, much of it involving a consumer hot-button: vehicle safety. The company that once could do no wrong has stumbled badly though a series of embarrassments of disclosures, allegations and recalls. Experts now are debating how deeply these will eat into the consumer trust that is Toyota's most potent asset — and what it must do to recover. In addition to the safety issues, Toyota only now has started to recover from unprecedented monthly sales drops this year. Last spring, the Japanese parent company closed its first money-losing fiscal year since its official founding in 1950. Source: [USA TODAY](#)

NADA UNIVERSITY SET TO LAUNCH AT CONVENTION IN FEBRUARY

Initiative Includes Four 'Automotive Centers of Excellence' Delivered by Leading Interactive Training Systems Provider LightSpeed VT

McLEAN, Va. -- In February 2010, NADA and ATD will launch NADA University – an unprecedented online education and cutting-edge technology resource for NADA's dealer members to enhance business performance in a complex marketplace. The launch, which will include substantial training and services at no charge for dealer members, will take place at NADA's annual convention in Orlando, Fla., Feb. 13-15. Demos and member access credentials will be provided onsite at the NADA University booth (#1801) and the NADA University studio. NADA and ATD have teamed up with LightSpeed VT, a global leader in interactive-based training systems focused on the auto industry, to deliver NADA University to users in a convenient one-source format, combining both online and classroom-based solutions. Leveraging the expert resources of NADA, ATD and LightSpeed VT, NADA University encompasses four “automotive centers of excellence” that complement each other, including:

- **NADA/ATD Academy** – To build leadership skills and improve critical decision-making through executive education using such resources as the NADA and ATD Dealer successor, general management and large dealer group academies, and the highly acclaimed Babson College Executive Education program;
- **Learning Hub** – To train your staff in key business functions using a wide selection of online and instructor-led courses, Webinars and workshops focused on business management, legal compliance, customer relations, human resources, and fixed and variable operations;

- **20 Group** – To improve business performance and profitability through access to 20 Group expert consultants, *Lifeline to Profits* in-dealership consulting and workshops, and the best-in-class online make-specific financial composites with programs tailored for executives, managers, and sales and service staffs;
- **Resource Toolbox** – Online, on-demand, and the only place to access valuable member resources such as *Driven* dealer management guides on the latest developments, regulations, trends and other essential information in the auto industry affecting key business decisions and *Market Insight* monthly Webinars with the latest data, analysis, and industry-expert panel discussions. Get breaking news, NADA product support, and other custom services -- all to help drive your sales, performance and profits.

Source: [NADA Newswire](#)

CHINA'S GEELY AGREES VOLVO BUY, BAIC EYES EXPANSION

BEIJING/STOCKHOLM -- China's automakers Geely and BAIC pushed ahead with plans to harness the technology of Ford's and General Motors' ailing Swedish brands Volvo and Saab in a bid to be global industry players. U.S. Ford Motor said in a statement (today) it had agreed (to) all substantial commercial terms in a deal to sell its Volvo Car Corporation unit to China's Zhejiang Geely Holding Group, parent of Geely Auto. "While some work still remains to be completed before signing ... Ford and Geely anticipate that a definitive sale agreement will be signed in the first quarter of 2010," Ford said, adding the deal was seen closed in the second quarter. The estimated \$1.8 billion deal would be the largest overseas acquisition by a Chinese automaker. It follows the recent purchase by Beijing Automotive Industry Holding Corp. (BAIC) of assets from General Motors' Swedish unit Saab. Chinese carmakers are taking advantage of a crisis-sparked shake-up of the auto industry, tapping into Western brands while taking advantage of a fast-growing home market, which is seen passing the United States this year. (BAIC) ... said separately it would launch an aggressive campaign to develop its brand both at home and overseas, after buying the rights to old Saab models from GM. Source: [Reuters](#)

GM'S WHITACRE REPORTS FIRST PAYMENTS TO US, CANADA

DETROIT -- General Motors Co. Chief Executive Officer Ed Whitacre said on Friday that GM has paid \$1 billion to the U.S. Treasury and \$192 million to the governments of Canada and Canadian province Ontario. This is the first regular payment for GM of the \$8 billion of bailout debt that the company says it will have paid off in June. Whitacre on Tuesday said that (the) automaker would repay its government loans by June, the first time a GM official had set that short of time to settle the debt. "We are grateful for the support the governments have provided us. We look forward to continuing repayments through June 2010, at which time the balances will be paid in full, assuming no downturn in the economy or business," Whitacre said Friday in a statement. Source: [Reuters](#)

HYUNDAI SALES RISE DURING 2009 AUTO CRISIS

LOS ANGELES -- Hyundai Motors Co. can claim something no other major carmaker can: It sold more cars in 2009 than it did in 2008. While automotive sales industrywide have fallen by 23.9 percent in the U.S. and carmakers struggle to survive, Hyundai has thrived. "In 2009, we learned to never let a crisis go to waste," said John Krafcik, Hyundai U.S. president ... Hyundai holds 4.3 percent of the U.S. market, up from 3.1 percent through November 2008, according to Autodata Corp. Source: [The Detroit News](#)
