

FordEcoBoost 1,6L

**Driving the future** — New era engine to power global vehicles



### **DRIVING FORCE**



Ford and UEFA Champions League - 17 years and driving on

Ford has been a partner of the UEFA Champions League since it was formed in 1992. Seventeen years on and Ford is the only remaining founding sponsor of football's greatest club competition.

UEFA claims the competition is "the best of the best on the ultimate stage". It brings the best players to the best stadia to compete for the ultimate club prize, the UEFA Champions League Trophy. The competition attracts a huge audience with over 100 million people watching the Final alone. The 2009/10 season will see a host of changes introduced by UEFA to keep the competition at the top of its game.

The Final on 22 May, for instance, will be moved from its usual Wednesday night spot to a more family-friendly Saturday evening. UEFA President Michel Platini has made no secret of the fact he wants to create a broader football competition with teams competing from all across Europe. The new 'pre-qualifiers' have already thrown up some surprises, pitting Arsenal FC against Celtic FC and seeing AS Roma drop out to join the new UEFA Europa League. Clubs from Hungary (Debreceni VSC), Cyprus (Apoel FC), Belgium (R.Standard de Liége) and Israel (Maccabi Haifa FC) have joined the competition, along with another

Urziceni, following in the footsteps of Champions League regulars FC Steaua Bucaresti and last season's debutants CFR 1907 Cluj.

Recent years have seen unprecedented success for the UEFA Champions League, alongside improvements in the style and quality of the football played. Over the same period, the Ford product line-up has also moved forward in terms of quality, style and functionality.

UEFA officials are transported to and from matches and official engagements in Ford models such as the Kuga, S-MAX, Mondeo and Galaxy. Transit minibuses are also used to transport the children who participate in the centre

circle opening ceremony.

Ford's UEFA Champions League heritage is a unique reflection of its commitment to a quality product and an emotional journey.

Here's to another great season and the road to Madrid!



### **ONE** FORD

### The ONE Ford show



I am writing this editorial from the Frankfurt Motor Show, where we have just unveiled our latest new products to media and public acclaim.

As I look around the show, it is clear that sustainability is the main theme with almost all manufacturers displaying new electrification and low CO<sub>2</sub> products.

We are on the pace with our advanced technology prototype Battery Electric

Vehicles, led by the new Focus BEV, and with our range of ultralow  ${\rm CO_2}$  models strengthened further by the introduction of the new-generation Focus ECOnetic.

While the auto industry has made an outstanding effort to present an exciting event, there is no disguising the fact that the show is taking place against the background of a fiercely challenging business environment.

Competition is increasing, the industry is reshaping, as we see with the new Magna/Opel entity, there is a flood of high quality new models entering the market from all parts of the world, overcapacity remains a significant problem and, as the Show makes clear, the price of survival is continuing substantial investment in new technologies.

We are confronting these many challenges with our powerful ONE Ford strategy. By harnessing our expertise and resources from around the world, it is the right strategy, for today and for tomorrow.

And if you want to see ONE Ford in action you need look no further than our Frankfurt display.

ONE Ford really comes to life on our stand here. Its influence is everywhere. You can see it in the new C-MAX models, which are the first vehicles based on Ford Motor Company's global C-segment platform, on which the next-generation Focus will be based. You can also see it in our decision to launch the Grand C-MAX in the USA in 2011, in our new global family of EcoBoost petrol engines, our innovative electrification technologies and, of course, in the Fiesta, which is continuing to win sales and awards around the world.

The message is clear: with ONE Ford we are united as a company behind a single vision on a global basis.

Thank you for your contribution and for staying focused, in an increasingly difficult business environment this is making a difference.

John Fleming
Executive vice president and
chairman and CEO, Ford of Europe

### One Team - One Plan - One Goal

### **04** Upfront

Indian investment Industry news August sales

### **08** Cover story

Ford lights up Frankfurt Motor Show with an impressive range of new models, powertrains and technology



### Bridgend's landmark engine production

### Ford News

Included with this issue between pages 10 and 11

### 14 Feature

Ford Credit celebrates its 50th anniversary

### 15 Sport

Mikko Hirvonen prepares to do battle for the 2009 WRC drivers' crown

### 16 Interview

Jürgen Stackmann discusses Ford in Germany

### **18** Quality

Quality initiative gets teams talking





October 2009

Feel the difference



### **@Ford** Upfront



### Seal of approval

The Ford Fusion is the latest blue oval product to be awarded the "allergy-tested interior" seal of approval from independent

German testing organisation TÜV Rheinland Group. Fusion underwent an extensive series of scientifically verifiable

### Allergy fact:

Since 2004, TÜV experts have certified almost all Ford models, with the C-MAX paving the way for Focus, S-MAX, Galaxy, previous generation Ka (2006), Mondeo, Kuga and all-new Fiesta.

tests in accordance with strict TÜV examination procedures. More than 100 materials and components were tested for harmful substances and allergy-causing potential. In addition, all components likely to have direct and prolonged skin contact, such as the steering wheel and seat covers, floor mats and seat belts, were dermatologically tested.

### Indian investment

Ford is investing \$500 million to transform its manufacturing facility near Chennai, India. The Company is doubling the capacity of its Maraimalai Nagar plant for volume production of a new small car, the Figo. That means extensively re-equipping the plant with a far higher level of automation and high-tech processes aimed at achieving global standards of new-car quality.

Ford is backing these new production facilities with an array of quality assurance measures, from a new 3.2 kilometre quality test circuit to a dedicated squeak-and-rattle torture course to verify build quality.

### Ford in India facts:

- Established in 1995
- More than 2,300 employees Models include the Ikon, Fusion, Endeavour and Fiesta





### Green gong

Ford of Germany has been awarded an 'ÖkoGlobe' for the battery-electric Tourneo Connect BEV Concept. The vehicle won the 'concepts and small series' category at the awards which recognise environmentally friendly vehicles and concepts.

### Tourneo Connect BEV facts:

21kWh lithium ion phosphate battery pack and 50kW permanent magnet motor. Targets a range of up to 100 miles and a top speed of 80mph. A full battery charge takes six to eight hours



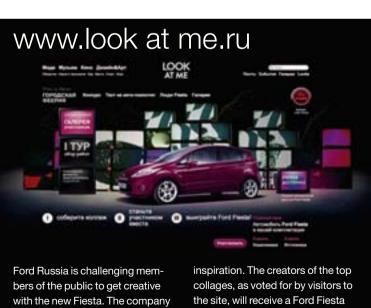
### Craiova kicks off

Ford's plant in Craiova, Romania, has build its first production Transit Connect. The Job One vehicle was donated to the Craiova Municipal Hospital for use in its work with the local community. The first commercial shipment of newly-assembled Transit Connects from Craiova is destined for Ford dealers in Romania. Mid-term, Ford expects to export the majority of Craiova Transit Connect production, primarily to Central and Eastern Europe.



### Global caring

More than 10,000 Ford employee and retiree volunteers in 42 countries put in more than 35,000 hours work in towns and villages across six continents during Ford's fourth annual Global Week of Caring in September. The Ford Volunteer Corps painted an orphanage in Cambodia, made repairs at a residence for the mentally challenged and a homeless shelter in Spain, collected clothing and personal items for needy children in the Dominican Republic and participated in a six-day project in South Korea to benefit the disabled and elderly.



has launched a contest at

www.lookatme.ru which asks

participants to create and upload

multi-media collages with Fiesta playing a central role as a source

of emotion, creative energy and

for 30 days. They will then be set a variety of creative missions to perform and blog about. Readers will rate the blogs with the writer of the best winning a Fiesta.

Electric avenue



Ford of Germany will support the North Rhine-Westphalian "Masterplan on electric mobilitv" which aims to establish the area as the most significant location for the development and production of electric vehicles in Germany.

One of the goals is to have at least 250,000 electric powered vehicles on North RhineWestphalian streets by 2020. In addition, the masterplan suggests pilot tests in areas of high population density, the establishment of automobile manufacturers' research and development facilities and the installation of electric mobility centres of competence, as well as the promotion of an electric mobility research landscape.

"Ford considers it a duty to give positive stimuli to the long-term trend towards electrification."

> Dr. Wolfgang Schneider, vice president, Legal, Governmental and Environmental Affairs, Ford of Europe



### Segment shares total Europe

YTD July

1. Fiat Panda	16.6%	1. Citroën C4 Picass	o 15.9%
2. Fiat 500	10.2%	2. Renault Scénic	14.4%
8. Ford Ka	5.7%	6. Ford C-MAX	9.2%
1. Ford Fiesta	13.2%		
2. Peugeot 207	10.5%	1. VW Passat	15.9%
3. GM Corsa	9.9%	2. Skoda Octavia	14.9%
		4. Ford Mondeo	10.1%
1. GM Meriva	17.1%	9. Ford S-MAX	3.7%
2. Honda Jazz	15.7%		
5. Ford Fusion	11.0%		
		1. Ford Galaxy	26.9%
1. VW Golf	21.8%	2. Renault Espace	16.4%
2. Ford Focus	12.3%	3. VW Sharan	13.4%
3. GM Astra	10.9%		
1. Nissan Qashqai	27.0%	1. Ford Transit	12.6%
2. VW Tiguan	17.1%	2. VW Transporter	10.9%
3. Ford Kuga	9.5%	3. Fiat Ducato	9.7%

### Ford market share August YTD 2009 total vehicles by country (+/- ppts 2008)

	A - Austria	7.2%	(+0.0)
	B - Belgium	7.4%	(+0.4)
	CH - Switzerland	5.6%	(+0.2)
	CZ - Czech Republic	9.9%	(+2.3)
	D - Germany	7.5%	(+0.7)
	DK - Denmark	9.7%	(+2.3)
	E - Spain	8.7%	(-0.8)
	F-France	5.7%	(+0.3)
$\blacksquare$	FIN - Finland/Baltics	8.8%	(+1.9)
XX	GB - Great Britain	17.8%	(+1.4)
***	GR - Greece	7.1%	(+0.9)
	H - Hungary	14.3%	(+2.5)
	I - Italy	9.7%	(+1.9)
	IRL - Ireland	15.4%	(+2.0)
+	N - Norway	9.0%	(-0.3)
	NL - Netherlands	9.5%	(+1.0)
	P - Portugal	8.0%	(+0.4)
	PL-Poland	8.2%	(+1.0)
-	S-Sweden	6.1%	(+0.0)
$\circ$	EUROPE 19	9.1%	(+0.4)
	RUS - Russia	5.8%	(-0.2)
C-	TR - Turkey	14.0%	(-0.5)
$\circ$	EUROPE 21	8.9%	(+0.5)



### Volkswagen L1

VW unveiled its vision of the future at Frankfurt; the L1 Concept is a diesel-electric hybrid weighing only 380kg. Power comes from an 800cc two-cylinder diesel engine and a 14PS electric motor. The L1 has a range of 416 miles and promises a return of 189mpg with CO<sub>2</sub> emissions of just 39g/km. Two occupants sit in tandem in the narrow body, which has a drag co-efficient of just 0.195.



Peugeot iON

Peugeot is planning to launch the iON electric city car late next year. A version of the Mitsubishi iMiEV, the iON uses lithium-ion batteries to power an electric motor that has a range of 80 miles after a six-hour charge from the household mains. An 80 per cent charge can be achieved in 30 minutes using a fastcharge system.



Toyota Auris HSD

Toyota's full-hybrid Auris HSD (Hybrid Synergy Drive) is to go on sale in summer 2010. Sharing the Prius's powertrain, the Auris HSD can do 0-60mph in around ten seconds and run for up to 125 miles on electric power alone. Battery power is topped up using regenerative braking and the ventilation system is powered by solar panels in the roof. Solar panels are also fitted on top of the dashboard, collecting energy to recharge mobile phones or portable music players.



Citroën DS3

Citroën debuted its DS3 at Frankfurt. On sale next spring, it will be available with a choice of five engines and multiple ways to personalise the car's looks. The DS3 shares its front end, basic underpinnings and engines with the C3 but is aimed at a younger market, with three rather than five doors and a sportier look, including a 'floating' roof. Citroën plans to launch more DS models in the coming years, including a C4-based DS4 and a C5-based DS5.

### Top 5 markets by volume August YTD 2009

Market	Volume	
1. Britain	230,000	
2. Germany	212,750	
3. Italy	149,800	
4. France	96,500	
5. Spain	59,375	

### Top 5 market share gains August YTD 2009 (+/- 2008)

Market	+ ppts
1. Hungary	2.47
2. Czech Republic	2.26
3. Denmark	2.25
4. Ireland	1.95
5. Italy	1.94



### Totalindustry Europe 19 August YTD 2009

Cars	9,090,720	-745,666	
Commercials	1,355,743	-573,420	

### August is Europe's holiday

month, when consumers are more concerned with sunshades than showrooms. For that reason, it traditionally accounts for one of the smallest sales totals of the year.

This year was no exception with industry-wide sales of 897,000 units across the main 19 markets. With the economic downturn continuing to bite, that figure was 4,400 below last year's recession-hit August figure, despite the continuing positive influence of scrappage programmes, particularly in Germany and Britain.

With our small cars continuing to strengthen their appeal, we outperformed the downturn and increased our registrations by 720 units to 72,820. Our market share was also higher, up 0.12 ppts to 8.12 per cent.

Registrations in **Russia** and **Turkey** boosted the Euro 19 figure to 83,850 and the EDM regions contributed a further 4,200 sales. So, a solid performance overall in what continues to be a very challenging market place.

Across our big five markets, **Spain** was the only country in which we did not increase our registrations, and then the decrease was only in the order of 100 units.

**Germany** continued to display strong scrappage-driven growth, and registrations surged by 2,200 to 20,370 – our highest August volume since 2006.

It was a similar story across the Channel in **Britain**, where, despite the proximity of the popular 1 September licence plate change, our registrations improved by 385 to 12,920. Fiesta, Focus, Galaxy and

Transit were all segment leaders.

France had an outstanding month, registering 8,065 vehicles, up more than 13 per cent on last year and our best August volume since 2000; we were the leading importer and Fiesta was the best-selling foreign vehicle.

Italy also continued to set a brisk pace, registering 7,660 units, a rise of 860, putting us is in second place behind local champion Fiat. Fiesta was the best-selling foreign car and was ahead of the Fiat 500 for the seventh consecutive month. That was not our only success, the C-MAX and Focus Wagon were also leaders in their segments.

Completing the big five picture, just over 5,850 vehicles were registered in Spain, with the S-MAX securing segment leadership.

Among other market highlights, **Poland** increased by 550 to 2,465, our highest volume there since 1994 and 29 per cent up on last August. Ford moved into second place in the **Danish** market, from seventh place last year, and **Austria** recorded its highest August volume since 1999.

### **Market shares**

Compared with last year, we increased our market share in 12 of our main 19 markets. **Turkey** posted our highest individual share, improving by over 3 ppts to 16.9 per cent, marginally ahead of the **UK** with 16.85 per cent (its best share performance since August 2003).

Other notable increases were achieved in **France** (+1.11 ppts), **Denmark** (+4.66 ppts), **Poland** (+2.67 ppts) and **Ireland** (+1.37 ppts).

### Year to date

In the first eight months of the year, we registered 945,100 vehicles in our main 19 markets. The big five accounted for 748,500 of that total. Britain registered 230,000 with Germany not too far behind with 212,750. Italy registered 149,800, France 96,500 and Spain 59,375. Elsewhere, Poland and the Czech Republic were each more than 1,000 units ahead of last year, with registrations of 20,400 and 12,270 respectively.

### **Outlook**

Europe's auto market continues to be hit hard by recession and lack of consumer confidence. Despite the welcome contribution of scrappage schemes, the market remains over 11 per cent down on last year. With no significant improvement on the horizon, we are urging the EU and national governments to continue to support scrappage programmes or, at the least, phase them out gradually.

We are, of course, in the business for good times and bad and will make the most of whatever market conditions we face. That is particularly true at this time, when our impressive range is helping us to take a larger slice of the greatly reduced overall market.

As last month's Frankfurt Motor Show revealed, we are continuing to produce outstanding vehicles and position ourselves for growth when the market improves.



COMMENT By Ingvar Sviggum Vice president, Marketing Sales

and Service

### FCSD-E

August sales were 4.8 per cent ahead of target. Strong performance was seen across all business units and in most markets. In addition to robust sales in our core business, parts sales benefited from an increase in LPG conversions in Italy. The LPG market is growing in Italy mainly due to direct incentives from the government.

Year-to-date sales are at 94.3 per cent of prior year, up by 0.3 ppts since July.

In an increasingly competitive environment, FCSD is committed to being the supplier of choice for Ford dealers; as such it is encouraging to see that dealer satisfaction with FCSD further improved in 2009. This has been the result of numerous process improvements to dealers, however, even more focus is required to reach the goal of achieving best In class levels of satisfaction for both dealers and end customers alike.



### Show blitz

With 700 exhibitors packed in 170,000 square metres of display space spread over 11 giant halls, there is always a great deal to see at the Frankfurt Motor Show. This year, with more than 60 models making their world debut, it was harder than ever to stand out from the crowd, but that is what Ford did with an impressive new model, powertrain and technology blitz









### Frankfurt showed, above all, that

Ford's product revolution is continuing, with two new C-MAX models grabbing the spotlight on the Company's stand. The five- and seven-seat duo introduced a number of advanced technologies new to the compact MAV class. These focused on enhanced comfort, safety and sustainability and included the availability of new EcoBoost petrol engines.

The C-MAX goes on sale in late 2010 and the car is the first product to be launched from Ford's new global C-car platform. The seven-seat Grand C-MAX will also be introduced in North America in late 2011, joining the new Fiesta, Transit Connect and the next-generation Focus as one of six European-designed

models promised by the Company under its global ONE Ford strategy.

While they share a family resemblance, the C-MAX models have distinctive individual characters, reflecting the differing priorities of the customers who will buy them.

The five-seat C-MAX departs from usual MAV thinking by combining a sportier feel with a passenger-car look. It has a coupé-like sweeping roofline which falls off to the rear, vet still retains the traditional C-MAX virtues of roominess and practicality.

Equally dynamic in character, the Grand C-MAX presents a more functional appearance. With a longer wheelbase and a higher roofline it offers more space and better visibility. Twin sliding doors provide easy access to the second and third seat rows and a large tailgate ensures a low loading height.

In the cabin, the main design themes are the latest evolution of the 'kinetic design' philosophy. The cockpit - which is common to both C-MAX models provides a raised driving position with a high-mounted gearshift and centre console.

To maximise the versatility of the seven-seat layout, Ford engineers have developed an ingenious seat-folding mechanism for the three second-row seats. This allows the centre seat to fold quickly and easily under one of the two outboard seats, creating a walk-through





Capturing the excitement of the Ford display in

### "ONE Ford makes us a sustainable business" **John Reming**

- "ONE Ford is helping us through the severe downturn," Ford of Europe chief John Fleming told a packed press conference on the opening day of the Frankfurt show.
- "It's not an overstatement to say our industry has really suffered very significantly in the past year," he said. "And it's had a devastating effect on our industry.
- "At Ford, however, we've maintained our strategy of ONE Ford, which is working as a global team to develop technology and vehicles, working on accelerating the delivery of new technology and vehicles that our
- customers want and value and managing our capacity aligned with our demand globally.
- "It has helped us through the severe downturn and we believe it is what will make a sustainable business as we continue our journey."



### @Ford Coverstory





visitors had the chance to show off their skills on the Focus ST slot car race circuit

space between them. This gives passengers access to the third row without having to disturb the two outer seats. Owners, therefore, have the option of using a 2+2+2 seating layout, or switching to a full seven-seat mode.

The second- and third-row seats have also been engineered so that they can be folded to create a flat load floor, irrespective of how many seats remain in use. All of the folding mechanisms require just one hand to operate.

The five-seat version retains the seating arrangement from the current model with three individual 40/20/40 folding seats, and the option of the Comfort system, which allows the outer seats to slide diagonally backwards and inwards to create a more spacious 2+2 layout.

Furthermore, the new C-MAX line-up will also feature a choice of fuel efficient petrol engines, including the first application of the 1.6-litre four-cylinder EcoBoost engine.

Ford's new global family of EcoBoost four-cylinder engines has been developed by powertrain engineers based in Europe and is being progressively introduced to the European product range, starting in 2010.

Among other new technologies being introduced is a host of features which improve practicality and safety. These include semi-automatic parallel parking, blind spot detection, seat belt warning lights for rear seat passengers, power activated child locks and power operation for the rear tailgate.

Together with the Galaxy and S-MAX, the new C-MAX models give Ford a range of MPVs that is second to none.

### **EcoBoost revs up**

Ford's new range of four-cylinder EcoBoost petrol engines was very much in the news in Frankfurt.





### New C-MAX debuts next generation of global cars



The unveiling of the new C-MAX at the Frankfurt Show marks the start of a new generation of global C-segment cars that Ford will introduce in the coming years. This series of new models includes the all-new Focus.

"By concentrating resources on a global family of new C-cars as part of the Company's ONE Ford philosophy, we've been able to harness the talents of our global product development team," said Derrick Kuzak, Ford's group vice president of Global Product Development. Currently, Ford Motor Company uses three distinct

vehicle platforms for its global C-car line-up. In 2008,

combined sales of the three platforms were approximately one million vehicles in Asia Pacific, Europe and North America.

Moving forward, models built from Ford's new global C-car platform will be sold in all regions and total sales are expected to exceed two million units annually by 2013, with a variety of body styles fulfilling the demands of C-car customers worldwide. The platform is expected to ultimately underpin up to 10 unique models





### This is **EcoBoost**

- » direct petrol injection
- » turbocharging
- » variable valve timing
- » maximal combustion efficiency
- » 20% fewer CO2 emissions
- » reduced engine size
- » optimised lubrication system
- » low-friction coatings



EcoBoost engines feature direct petrol injection, turbocharging and twin variable valve timing to maximise combustion efficiency, resulting in fuel consumption and CO<sub>2</sub> emissions reduced by up to 20 per cent, compared with conventional petrol engines with a similar power output.

The initial range of EcoBoost engines for the Company's European product range will launch in 2010 and use the SCTi (Sequential Charge Turbo injection) nomenclature for production models.

The line-up will comprise 1.6-litre units for the new C-MAX and 2.0-litre engines for the Company's large car range. An advanced, small-capacity EcoBoost engine will be introduced

In addition, Ford has confirmed that the new 2.0-litre EcoBoost engine will be available globally, launching in North America in 2010 and installed in its first rear-wheel drive application in the

Australian Falcon from 2011.

EcoBoost engines deliver many of the benefits offered by the latest diesel engines, while retaining the driving character and cost advantages of a petrol unit.

Production of the two initial EcoBoost engines for European vehicles will be spread across two locations within Ford's powertrain manufacturing network. The 2.0-litre unit will be produced at the Valencia Engine Plant in Spain, while the 1.6-litre engine will be made at the Bridgend Plant in the UK.

The future advanced small-displacement EcoBoost engine will be produced at the Cologne Engine Plant in Germany and the new Craiova Engine Plant in Romania.

Within three years, the Company expects to deliver 1.3 million EcoBoostequipped vehicles per year worldwide.



### **@Ford** Coverstory





### 2010 Focus ECOnetic

The new C-MAX models were not the only Ford newcomers attracting attention in Frankfurt: the 2010 Focus ECOnetic demonstrated the latest development in the Company's low CO<sub>2</sub> vehicle strategy.

ECOnetic Fiesta, Focus, Mondeo and Transit models have already established themselves as credible alternatives for customers prioritising low emissions motoring and high levels of fuel efficiency. The new model takes the concept even further by combining new technology with clever details to produce the most efficient Focus ECOnetic to date.

The five-door model features the new optional Ford Auto-Start-Stop system that was previewed on the iosis MAX Concept at the 2009 Geneva Show.

Regardless of whether Auto-Start-Stop is specified, the Focus ECOnetic has Smart Regenerative Charging and Low Tension FEAD (Front End Accessory Drive) - technologies that are new to the Ford of Europe product line-up, and which combine to deliver lower emissions and better fuel efficiency and pave the way for future powertrains from the blue oval.

Power still comes from a 109PS (80kW) 1.6-litre Duratora TDCi engine with standard coated Diesel Particulate Filter (cDPF). Target average CO2 emissions for the Auto-Start-Stop-equipped car are 99g/km, with a combined fuel economy of 3.8 l/100 km (74.2mpg) and 104g/km for the standard Focus ECOnetic.

The newest ECOnetic is also the first vehicle to feature the new Ford Eco

Mode system as standard. An all-new driver information system, Ford Eco Mode, helps educate the driver to achieve improved real-world fuel economy.

In alignment with tax break points in a number of markets, Ford is also launching additional five-door and wagon versions of the new Focus ECOnetic without the integrated Ford Auto-Start-Stop system. Even without that system, average CO<sub>2</sub> emissions are a low 104g/km and target average fuel consumption is just 3.9 l/100 km (72.3mpg).

### **Navigation system is a technology first**

The Ford Mobile Navigation system boasts industry first technology.

Available immediately as an option on Fiesta, Focus, C-MAX, Kuga, Mondeo, S-MAX and Galaxy, the system integrates the in-car entertainment (ICE) system with the latest generation of mobile telephones to provide a practical satellite navigation facility for drivers.

Until Ford developed the vehicle technology, it was not possible for customers to have integrated in-vehicle navigation using a mobile handset. Now, an increasing number of Samsung and Nokia handsets are being launched that are compatible with the Ford technology.

Known as 'Smartphones', they are equipped with the necessary Symbian Series 60 Operating System.

Mobile phone handset compatibility and car availability can be determined via a dedicated website: www.fordmobile-connectivity.com

Ford Mobile Navigation can be ordered as an option with Ford models that are equipped with Bluetooth®, voice control connectivity and USB connector.







### **Focus ECOnetic**

- » Auto-Start-Stop-system
- » Smart Regenerative Charging
- » Front End Accessory Drive
- » Eco Mode system
- » high fuel efficiency
- » CO<sub>2</sub> emissions 99g/km

### **Focus BEV**

- » lithium-ion battery pack
- » 23kW/h capacity
- » charged in 6-8 hours
- » 100 kW motor
- » 136 km/h top speed
- » 120 km range

### Focus BEV leads the charge

Ford's commitment to electrification was underlined in Frankfurt by the first of a fleet of Battery Electric Vehicle (BEV) prototypes based on the Focus, and specially developed to participate in the UK Government's 'Ultra-Low Carbon Vehicles' demonstration initiative next year.

The research programme aims to test the technology's suitability for potential future application in Ford's European passenger car range. The Focus BEV prototype is based on the current European Focus and will use a new all-electric powertrain, provided by Magna.

To evaluate whether this technology is suitable for European road and driving conditions, a fleet of 15 Focus BEV prototypes is being built. These cars will deliver local zero emission mobility without constraining user requirements and

providing room for five passengers, a practical boot and other Focus attributes.

Under the skin of the Focus prototypes is a state-of-the-art lithium-ion battery pack with a capacity of 23kW/h and a chassis-mounted 100-kilowatt permanent-magnet electric traction motor. The BEV will have a range of up to 120km (75 miles) and a top speed of up to 136km/h (85mph). Charging the batteries will take six to eight hours using a common 230 volt grid.

The prototype incorporates key components from Ford's proven North American hybrid technology, including the electric climate control system. The high-voltage air-conditioning compressor is a key feature of the 2010 Fusion Hybrid, recently introduced in the North American market.

John Fleming introduced Ford's impressive new model display



### **Euro V engines across the range**

Ford of Europe is offering a wide range of engines complying with Euro Stage V emissions regulations that will be legally required for newly registered vehicles from 1 January, 2011

The Euro V engines are available across the car line-up, with the Transit ECOnetic meeting the Stage V regulations when fitted with an optional cDPF (coated Diesel Particle Filter).





### Ford Credit @ 50

Ford Credit is marking a milestone in 2009. It is 50 years since it was incorporated as Ford Motor Company's global financial services subsidiary to support and build loyalty among Ford dealers and customers



"Ford Credit is renowned for the excellent and innovative financial services products it provides." Bill Ford

operations. Recent examples include its outsourced insurance and fleet leasing businesses and its joint venture to provide automotive finance in Denmark, Finland, Norway and Sweden.

As the range of information technology (IT) tools has expanded, Ford Credit has used IT to help analyse, structure and decide on offerings; manage the global portfolio, drive consistency, and free staff to provide more personal service where needed. These technologies include the Global Lending Analysis System, the eBLESS suite of products and many others.

Funding the business became more challenging when Ford debt was downgraded to non-investment grade in 2005. Ford Credit and Ford Treasury have responded with increased global use of tools such as asset-backed securitisation to continue to support Ford sales.

"Ford Credit is renowned for the excellent and innovative financial services products it provides to Ford customers, and that excellence continues today," said Bill Ford, executive chairman, Ford Motor Company. "I am proud of the fine reputation that Ford Credit has sustained for so many years."

From 1959 to mid-2009, Ford Credit has recorded \$46 billion in pre-tax profits and returned \$23bn dividends to Ford. These dividends are used for developing new vehicles and other business needs. Today, Ford Credit remains a highly valued strategic asset to Ford. Its 9,000 employees provide services to more than 3.2 million retail customer accounts and some 9,000 dealers in around 115 countries. As of June 30, 2009, Ford Credit had about \$100bn in loan and lease receivables globally.

Ford's financing history predates the credit company, and its longest continuously operating finance unit, Ford Bank Germany, began operating in 1926. Less long-lived were the original finance arrangements established to help sell Ford vehicles in the U.S. (1923), France (1925), Belgium (1926), and Britain and Italy (1927).

In 1962, Kenneth Ogden was dispatched from Dearborn, USA, to establish European businesses for the three year-old Ford Motor Credit Company. Ogden's first achievement was to open a British arm of Ford Credit from scratch in 1963.

Opening the British business was part of an international expansion plan for Ford Credit.
During the 1960s and '70s the company opened branches across North America and

set up operations in Latin America and Asia Pacific. By 1988, Ford Credit was established in 16 European markets.

In 1994, Ford Credit Britain opened Ford Motor Credit Company's first full-service Customer Service Centre in St. Albans, consolidating Britain's network of 15 branches. "This model of centralised operations has subsequently been adopted across Europe and the U.S., generating enhanced customer service through the use of common processes and systems," said Bernard Silverstone, chairman of Ford Credit's European business.

The European team's early adoption of innovative ways of working, such as via a Customer Service Centre, continues to be a hallmark of its

Christopher Makin



### Mikko's date with destiny

Twenty nine year-old Mikko Hirvonen could be crowned World Rally Champion this month after one of the most remarkable fightbacks in the sport's history. @Fordrecalls how the flying Finn overcame a 20 point deficit to claw himself back into title contention

The 2009 Rally Argentina was a bleak one for Mikko Hirvonen. An overheating engine forced him to retire from the event and then, to compound his misery, Sébastien Loeb went on to win and opened up a 20 point lead in the drivers'

The Frenchman had won the first five rounds of the season and looked certain to clinch a record-breaking sixth drivers' crown. But rather than throw in the towel, Mikko and everyone at the BP Ford Abu Dhabi World Rally Team threw their energies into a fightback. What happened was remarkable.

After the disappointment of Argentina, Ford headed to Sardinia and scored a morale boosting maximum 18 points with Jari-Matti Latvala leading Hirvonen home in first place. A fortnight later, Hirvonen took his first win of the season in Greece and the recovery was well on track.

In Poland, Hirvonen was unbeatable in his Focus RS WRC and he followed that up with another stunning win in front of his home fans in Finland. Loeb briefly appeared to have

closed the gap when he was declared winner in Australia but the Frenchman was later demoted to second place for running an unhomologated part on his Citroën.

Afterwards Hirvonen sympathised: "It's a shame that after such a thrilling battle the result of the rally was decided in the stewards' room. I suffered a points loss in Portugal two years ago, solknow how Sébastien, in particular, must feel. This decision has a major effect on the championship standings."

It did too. Going into RACC Rally d'España, Hirvonen held a five point lead over Loeb at the top of the drivers' table, needing just 16 more from the final two events to become the first Ford driver since Ari Vatanen in 1981 to win the title.

If he does end Loeb's five-year reign as rallying's king, few will be happier than BP Ford Abu Dhabi Team principal Malcolm Wilson.

"For me, no matter what happens, Mikko has been the star of the season," says Wilson. "Rallying is all about experience. People forget that



Mikko Hirvonen is hoping to bring an end to Loeb's five-year reign as rallying's king

Sébastien Loeb is 35 years old. Mikko is 29 and his best years are still to come. He is continually improving, doing a fantastic job building his experience and it shows in his results. He's very consistent. Last season he scored points on every event and now he's regularly beating Sébastien in straight fights and he

Wilson adds: "Mentally Mikko is very, very strong so if it does go to the wire in Wales I've no doubt he will cope with the pressure. He's fantastic rally driver. It's up to us to make sure he has the tools to finish the job!"

### The race for the title...

Event:	Points		Gap
Ireland	SL (10),	MH (6)	- 4
Norway	SL (10),	MH (8)	- 6
Cyprus	SL (10),	MH (8)	- 8
Portugal	SL (10).	MH (8)	-10
Argentina	SL (10),	MH (0)	-20
Sardinia	SL (5),	MH (8)	-17
Greece	SL (0),	MH (10)	-7
Poland	SL (2),	MH (10)	+1
Finland	SL (8),	MH (10)	+ 3
Australia	SL (8),	MH (10)	+ 5

Sébastien Loeb set a blistering pace at the start of the year but the momentum has very much been with Mikko Hirvonen in the second half of the campaign as these statistics show. In the five events running up to Spain, Ford's No 1 dropped just two points out of a possible 50. Loeb dropped 27



### Ford on the move in Germany

German vehicle buyers demand quality, technical competence and value. Ford is delivering and transforming its market share and brand profile. Jürgen Stackmann, managing director, Marketing and Sales, Ford of Germany, explains

### How is Ford performing in the German market?

It has been a very exciting year for us in Germany. The scrappage programme has given us a booming retail market, far beyond our expectations. Our market share has been exceptionally good, improving by nine-tenths of a percentage point for the year-to-date through August. Our volume is up by 53,000 units versus prior year.

### What does Ford need to do to succeed in Germany?

We have just demonstrated what it takes: excellent products. We also need consistency in our product and market approach and direction; that is what we have and that is why our brand profile is increasing. And finally, we need to work with our dealers as one team with one direction. Through our Ford Flatrate System we have a way to really unite and bring our paths together to present one strong entity in the market.

### The scrappage scheme focused on small cars, is that a problem?

No; we cannot imagine the strategy working any better. We have two new small cars and they have been exceptionally successful for us in Germany, we will sell around 100,000 Fiesta units alone this year.

### Is the scheme simply pulling forward sales?

To some degree. However, we believe the majority of sales have been to customers who are not typical buyers. The average age of cars being scrapped is 13 years. Those types of customers usually buy used cars, so I think we are really seeing incremental sales this year. Such sales will have a long term benefit for us.

### By bringing new people to the brand?

Absolutely! It is definitely bringing new people to the Ford brand. In particular, we have a lot of new young customers, male and female, going for Ka and Fiesta. The scrappage scheme has increased our sales to conquest customers to more than 50 per cent. The last time we saw that was years ago on Galaxy. The combination of great products and the scrappage scheme has really helped us to improve our brand profile and bring new people to the Ford brand.

### What happens now the scheme has run out?

It ended early September, but we are still selling at prior year levels, which is positive. We will begin to see the underlying strength of the market in the months ahead. We believe the fleet market will be stronger because of the improving economic environment. The fleet market has been depressed by about 20 per cent, but now we expect it to increase going into 2010. We need patience to see how strong the retail market



### **BIOGRAPHY**

Jürgen Stackmann assumed the position of managing director, Marketing and Sales, Ford of Germany, in February 2006. Before he took over this responsibility, he was vice president, Marketing, Ford of Europe, from January 2005. Prior to that, he was director, Marketing, Ford of Germany, a position which he assumed in 1999.

Mr Stackmann studied business administration at the University of Applied Sciences Saarland and started his career with Ford as a trainee in 1989.

### Dealers – do you have the right number and quality?

Germany, because of the spread of population into small centres, needs a bigger dealer body than most other markets. We have some 540 dealer partners; that number has come down from 650 six years ago. In total we have about 700 sales outlets, which is the right number to be represented in Germany as a volume brand. There is potential for us to grow our volume and share and considerable investment has gone into our network; our dealers have invested some €100m over the past five years. That demonstrates that there is a lot of trust in the Ford brand from the dealer side. You go around Germany and you see Ford dealerships that are very good, fresh and exciting.

### How are you working with your dealers in this recessionary period?

We have a unique way of working with our long term dealer partners. We negotiate contracts together because we believe that is the way for both of us to make the most of the potential of the future. We take all the major decisions together. We are united and that is helping us through the current crisis situation; it really helped to leverage our opportunities in the scrappage market. The dealer body is very happy that we are the number three brand in Germany, behind VW and Opel.

We are one of the 'most liked' brands across all networks – that shows the strength of our relationship with dealers.

### You've just published a corporate brochure, what do you expect it to achieve?

Many people do not realise how big our footprint in Germany is. We have a major economic influence. The brochure informs many people of that fact, our employees, dealers, politicians and the media. We want to send them a strong signal that we are a brand rooted in Germany, at home in Germany, and a big part of the innovative strength of the nation.

### Is Ford's massive presence in Germany acknowledged?

Ford in Germany is acknowledged as being a German company, but American rooting is a key part of our DNA. We are trying to leverage that into our brand image in Germany.

### What is Ford's brand perception in Germany?

We are perceived to be a brand on the move. After a decade of being a sleeping giant, we are showing how exciting our brand is. We are seeing our brand re-strengthening in Germany. The brand will continue to prosper in the coming years as new products come on stream. Buyers now

expect us to have good, high quality products, and that is a big plus. We are perceived as a brand of the future.

### Quality - what does it mean to you?

Customers are giving us a big part of their income by buying one of our products and they want that product to be reliable and valuable. The two key elements of quality are reliability and quality perception, which relates to the materials and craftsmanship. We have made strong progress in both areas. As you look into the future with the new C-MAX, you see the next level of craftsmanship coming into the Ford brand. The direction we are taking is right for the German market.

### Finally, how is ONE Ford benefitting FoG?

ONE Ford is the biggest success determiner for us in the German environment The key benefit is that the power of Ford engineering globally comes together to deliver the best in all areas of technological development – powertrain, new options, fantastic design and driving dynamics. With ONE Ford we are globally united and going in one direction. The biggest help that Ford Motor Company can give to us in Germany is to keep bringing out great products.

Interview Richard Noble





### Quality initiative gets teams talking

Ford Motor Company has embarked on Global Quality Improvement Process (GQIP) because, although among the leaders in quality, it acknowledges that significant improvement is required to remain competitive in the future

**Quality is critical** to everything Ford does, but it has suffered in the past because, while lip service has often been paid to the importance of teamwork, people have not always worked together in a fully integrated way.

Time and effort has been wasted and opportunities to resolve quality issues at an early stage lost because there has not been a fully integrated quality system that ensures that teams sit down

### "It really is a team sport now; we are breaking down walls and working together."

and talk to each other, using standardised reports and common data – until now.

GQIP is designed to speed up problem resolution by ensuring

that Product Development and the plants know of customer concerns more quickly and with higher visibility than in the past, giving earlier indications of quality concerns, said Rolf Haeger, manager of Ford of Europe's quality training strategy.

"We are handling customer concerns more carefully than potentially we had done in the past," he said. "It is very important for the Company to meet customer expectations, to see what they are saying and what our answer is to that."

The need to continually drive down Things Gone Wrong and warranty claims has prompted the roll-out of GQIP in Vehicle Operations, PD and Powertrain and, according to Ford of Europe's Central Quality office: "Rigorous adherence to the global quality improvement process has been proven to deliver quality results."

One of those results is in Puma diesel engine production at Dagenham where using GQIP has contributed to an approximate 50 per cent cut in warranty issues.

Using a core team of production, quality, forward planning and product design specialists in daily meetings, concerns are identified earlier and resolved faster.

Involving the whole team has meant them working together in a dynamic, integrated way which is resolving issues quickly and avoiding repetition of those concerns. If the core team cannot resolve a concern, it is quickly escalated, with expertise sought from suppliers or design engineers as necessary.

Dagenham Engine Plant manager Dave Parker summed it up: "GQIP works because it operates as a co-ordinated approach."

People are now sitting together in cross-functional teams, working with a standardised process and new databases that means them looking at the same documents and same figures, said Haeger: "It really is a team sport now; we are breaking down walls and working together."

Management mindsets have changed, he said. In the past, an administrator would report to a supervisor and the supervisor would make out his own report to a manager.

"The same information would be presented several times in several styles and in several colour inks, but it was the same information. Now that information goes to everyone in one report, which means they have more time to concentrate on resolving the problem."

He added: "It is a win-win situation that helps Ford deliver the results we need."

Kelvin Brown



Executive editor: Emmanuel Lubrani, elubrani@ford.com | Copy editor: Richard Noble, moble@ford.com | Design: Manfred Müller, mmuell86@ford.com, Alexander Bertrams, Annette Vellay | Production: Zetweka, Print & Production Management, Cologne | Digital Reproduction: purpur, Cologne | Print: NEEF + STUMME premium printing, Wittingen | Published by Ford of Europe, Communications and Public Affairs



# **ONE TEAM**

People working together as a lean, global enterprise for automotive leadership, as measured by:

Customer, Employee, Dealer, Investor, Supplier, Union/Council, and Community Satisfaction

## **ONE PLAN**

- Aggressively restructure to operate profitably at the current demand and changing model mix
- Accelerate development of new products our customers want and value
- Finance our plan and improve our balance sheet
- Work together effectively as one team

## ONE GOAL

An exciting viable Ford delivering profitable growth for all

# **Expected Behaviors**

# Expected Deliaviors

**Foster Functional and Technical Excellence** 

- Know and have a passion for our business and our customers
- Demonstrate and build functional and technical excellence
- Ensure process discipline
- Have a continuous improvement philosophy and practice

# Own Working Together

- Believe in skilled and motivated people working together
- Include everyone; respect, listen to, help and appreciate others
- Build strong relationships; be a team player; develop ourselves and others
- Communicate clearly, concisely and candidly

# Role Model Ford Values

- Show initiative, courage, integrity and good corporate citizenship
  - Improve quality, safety and sustainability
- Have a can do, find a way attitude and emotional resilience
- Enjoy the journey and each other; have fun never at others' expense

## **Deliver Results**

- Deal positively with our business realities; develop compelling and comprehensive plans, while keeping an enterprise view
- Set high expectations and inspire others
- Make sound decisions using facts and data
- Hold ourselves and others responsible and accountable for delivering results and satisfying our customers

