

2006 All-Stars: Strong players, but no MVP

The 25th anniversary edition of the Automotive News All-Star team lacks a Most Valuable Player — a reflection of the industry's volatility over the past year.

The 20-person team for 2006 emerged from a vote of Automotive News editors and reporters. Team members were selected for their industry achievements since July 1, 2005.

Traditionally, we select an industry leader of the year from the team's top CEOs in North America, Asia and Europe. Last year's industry leader, then-Chrysler group CEO Dieter Zetsche, now runs parent company DaimlerChrysler AG, a job he assumed in January.

This year there is no top North American CEO. Given the problems that confront General Motors and Ford Motor Co., it was hard to make a

DESIGN

Chris Bangle

No longer the butt of jokes

look for some of their cars.

Vindication?

The designer was needled for the "Bangle butt" on the 2004 BMW 7 case for All-Star status for either GM CEO Rick Wagoner or Ford CEO Bill Ford And whether the Chrysler group

should continue to be treated as a North American automaker comparable to GM and Ford is a dicey proposition. Chrysler itself doesn't think so.

Toyota Motor Corp.'s success earned its president, Katsuaki Watanabe, a place on this year's team, but he has held that job for barely a year. Similarly, the restructuring efforts of Fiat S.p.A. CEO Sergio Marchionne have shown impressive success, but the job is far from finished.

Despite the absence of an industry leader, this year's team is deep and seasoned. It recognizes the best executive talent the industry has to offer.





Out for No. 1

Toyota is poised to pass GM and become the world's biggest automaker. Its profits continue to exceed those of the traditional Big 3, and Toyota plans to invest \$20 billion during the year ending next April on product development, plants and equipment. Watanabe pulled Subaru into Toyota's orbit, boosting U.S. capacity. Watanabe, the successor to affable Fujio Cho, seems dry - but his foot is on the accelerator.



GOVERNMENT AFFAIRS

Ed Cohen Vice president, government and industry relations, Honda North America Inc.

Lobby master

Cohen directs Honda's independent course in Washington, balancing the company's claims of environmental and safety leadership with protection of competitive interests. He lobbied effectively for federal tax credits for environmentally friendly vehicles as part of last year's energy bill.





Nancy Fein Vice president of parts, service, customer

satisfaction and training — Lexus Division



CSI: Lexus Now that dealerships routinely have espresso makers in service waiting rooms and putting greens out back, Fein is sending personal trainers to Lexus stores to evaluate how the stores can improve. Lexus Benchmark Service helps dealerships shave time from performance of major service tasks, improving

the bottom line



PUBLIC RELATIONS Jason Vines Vice president, communications, **Chrysler** group

Stand-up guy

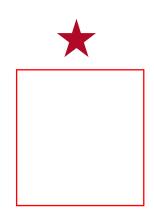
This is the second All-Star selection in a row for the Chrysler group publicist, who keeps Chrysler fresh and is an entertaining comedian to boot. Vines' aggressive advocacy for his company caused him to take on Big Oil this year, defending

the Chrysler group's fuel economy and accusing oil companies of gouging consumers at the gasoline pump.



Halfway there

Fiat has staged an impressive half-turnaround under Marchionne. The Italian automaker is making money after years of losses and has achieved smooth separation from General Motors. Sales and revenue are up as well. Marchionne is imposing business discipline and cleaning house. Now can he finish the massive restructuring job?



MINORITY BUSINESS

L.G. Chavez Jr. CEO, Burt Automotive Network

Community focus

The Denver dealership group ranks No. 3 on *Hispanic Business* magazine's list of the 500 largest U.S. Hispanic-owned companies. It ranks No. 53 on the *Automotive News* list of the top 100 dealership groups in the United States ranked on 2005 new-vehicle retail sales units. The company is an innovator in marketing to Hispanic consumers with community-oriented events.



PURCHASING John Miller Vice president, purchasing, Nissan North America Inc.

Light touch

Miller seeks cost cuts from Nissan's U.S. suppliers — but he takes a gentle approach. He's employing third-party *kaizen* teams to help suppliers realize undreamed-of plant efficiencies.





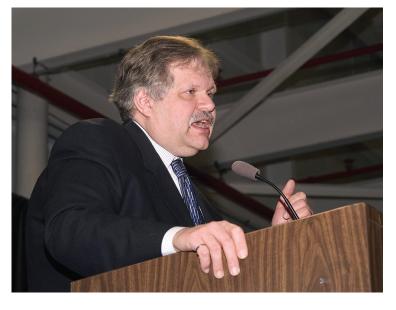


ADVERTISING Kerri Martin Director, brand innovation, Volkswagen of America Inc.

Vee-Dub rules

Martin got VW a new advertising agency and added quirky, sometimes shocking, ads aimed at young consumers — notably for the GTI, Jetta and Passat. Love the ads or hate them, you can't ignore them. VW's U.S. sales are up; lots of new product hasn't hurt, but Martin's cutting-edge strategies surely have helped.



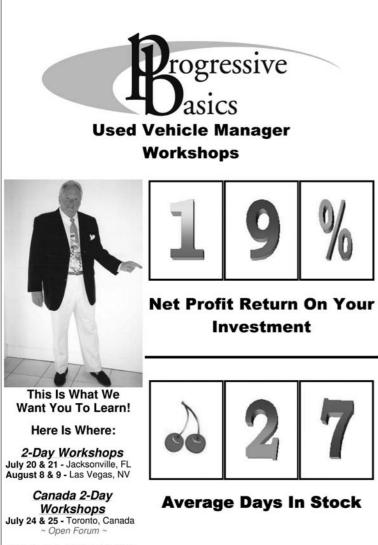


MANUFACTURING

Frank Ewasyshyn Executive vice president of manufacturing, Chrysler group

Flexible flyers

The Chrysler group has improved productivity and reduced warranty costs. Under Ewasyshyn, the company is updating plants to make lines more flexible through the use of robotics, new technology and team assembly.



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ASIAN NAMEPLATE EXECUTIVE Jim Press President, Toyota Motor North America Inc.

Four-bagger

Press, an All-Star for the fourth year in a row, is Toyota's highest-ranking U.S. executive. His new job likely will expand his role with the parent company, making even greater use of his leadership and intelligence. The company continues to bring new product to market, and sales keep growing. Toyota could pass DaimlerChrysler this year as the third-largest automaker in terms of U.S. sales.



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Here's the wake-up call for your idle stock.

"Cobalt has reduced my idle stock by more than \$55,000." Eric Brose, Parts Manager

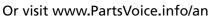
Cobalt.

Brose Autoplex, Corinth, Mississippi

Parts that have been sitting idle on your shelves for 9 months or more may be worthless to you, but somebody else needs them. Cobalt's Cash Discovery Program identifies those parts and matches them to another dealership's needs. It's not unusual for participants who are new to the program to clear out tens of thousands of dollars worth of idle stock in just the first couple of months.

If you're looking for a way to wake up your idle stock and get it moving, you've just found it.







ENGINEERING Shinichi Matsumoto General manager, electrical and hybrid powertrain development, Toyota Motor Corp.

High-performance hybrids Matsumoto is a repeat winner in this category. Toyota develops hot-selling hybrids for performance gains as well as fuel economy. The nextgeneration Prius could get twice the mileage of the current model with better performance. Lexus' flagship sedan will get a hybrid powertrain as a luxury feature. In hybrids, no one comes close to Toyota.





INFORMATION TECHNOLOGY

Ralph Szygenda Group vice president, information systems and services, General Motors

Big business

Szygenda, GM's chief information officer, developed a \$15 billion plan for the company's IT business over five years, encouraging large suppliers to work together. He has moved GM into an era in which all vendors compete fiercely for the automaker's business.



MARKETING Jim Farley Vice president, marketing, Toyota Division

Main event

Farley is our All-Star marketer for the second straight year. He's applying to Toyota Division the lessons he learned launching the Scion brand, aimed at Generation Y. Toyota Division spent \$730 million last year on U.S. media advertising, but it's also getting into new areas such as event marketing in a big way.

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EUROPEAN NAMEPLATE EXECUTIVE

Richard Beattie Executive vice president, marketing and sales, Land Rover North America

SUV success

SUV sales have been tanking for everyone — except Land Rover. Under Beattie's sales and marketing strategies, Land Rover is riding a wave of new products and clever advertising to another year of rising U.S. sales.



SALES Dick Colliver Executive vice president, Honda and Acura auto sales, American Honda Motor Co. Inc.

Civic duty

Honda Division sales were wavering, and dealers were getting antsy. But along came the redesigned Civic, and Honda is back on track. Colliver applies retail smarts to a company whose slow-but-steady growth could be poised to take off.



FINANCE

Fritz Henderson Vice chairman/CFO, General Motors

Mr. Fix-it

GM's money man oversaw the sale of controlling interest in General Motors Acceptance Corp., bringing GM much-needed cash. He eased out GM employees who figured in a federal accounting investigation of the company. He's one of GM's chief go-to guys on Delphi-UAW issues. Before taking his current job in January, Henderson handled several foreign operations for GM. Rick Wagoner's heir apparent as CEO?



PRODUCT DEVELOPMENT

John Krafcik Vice president, product development and strategic planning, Hyundai Motor America

24/7 action

Krafcik oversees U.S. product, strategic and brand planning for the Korean parent. The Ford veteran joined Hyundai in 2004 and played a key role in the campaign that launched seven models in 24 months in United States. His visibility has risen since the January ouster of Bob Cosmai as Hyundai Motor America CEO.



Quality quest

Schnitzer's Dallas store won a Malcolm Baldrige National Quality Award for managerial excellence last year — the first auto dealership so honored. Now

Park Place Lexus is promoting Toyota's continuous improvement practices to maintain customer loyalty.

SUPPLIER Frank Macher CEO, Collins & Aikman Corp.

Staying alive

| AUTOMOTIVE NEWS ALL-STARS |

Macher took over a Chapter 11 mess and has kept Collins & Aikman

operating as it works to reorganize. His company makes cockpits, trim and carpets for virtually every North American vehicle platform. Now it has a real future.



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