



NEWSLETTER

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A MESSAGE TO THE FORD BOARD OF DIRECTORS

Where have all the leaders gone?

We would first like to thank the many dealers for their overwhelming positive responses to our previous newsletter. It obviously exposed the common disappointment and concern we all feel with Ford's direction.

HOW DID THIS HAPPEN?

It is our belief that the culture at Ford Motor Company has bred a group of leaders who reached their top positions by mimicking their previous mentors. With this kind of inbred and ingrained culture, it has been virtually impossible for change to occur.

Many of Ford's leaders seem to think, "This is the way I got here, so it must be the right way to do things." As a result of this stagnation, they are continually guilty of matching irresponsible business strategies and cannot seem to resist playing the perpetual game of "Follow the Leader," or should we call it "Follow the Loser."

Ford leaders following a bad business model is not limited to those within the Ford Motor Company. Each time a competitor makes a mar-



keting move that even Ford recognizes is detrimental to its dealer body and the Company itself, Ford rationalizes copying the move by stating, "We had to match them to remain competitive."

WE CHALLENGE THAT LOGIC.

Over the past several years, General Motors has been the leader in setting standards that have resulted in lower or non-existent profits for both itself

and its dealers. GM keeps starting a cycle, then followed by Ford, which has led to lost market share and profitability for GM, Ford and their dealers alike.

We realize that GM's and Ford's lack of competitive products, as compared to their more overall successful Asian competitors, seems to precipitate these foolish marketing strategies. Unfortunately, whenever

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manufacturers get into pricing wars, they inevitably lead to chaos. The net result is devastating. No doubt the imports agree with this position as they have avoided imitating these misguided marketing ploys.

WHAT SHOULD BE DONE.

First and foremost, Ford must stop "following the losers." As we have stated in the past, Ford needs leaders who are innovative and forward thinking. It needs true leaders who not only listen to their dealer body but to new ideas from within the Company and within the industry. It needs true leaders who are willing to change and not continue in the status quo simply because that is the way it was done in the past.

We are in a very different competitive marketplace than we were twenty or thirty years ago. We must learn to compete in this new marketplace with leaders that are willing to challenge the old ways of doing things. We need to lead in product development, in marketing and in advertising strategies. Only then will we be able to reverse the tide of spiraling towards oblivion.

Where, at Ford Motor Company, are the Jim Presses who actually want their dealers to be profitable, so they can adequately take care of

the customer and be able to upgrade and expand facilities, when necessary? Mr. Press welcomes and values dealer input and has successfully lead Toyota's North American franchises that are overtaking both Ford and GM.

Where, at Ford Motor Company, are the Carlos Ghosns who took Nissan, a debt-ridden, failing franchise and, in a few years, transformed it into one of the most profitable in the industry by cutting inefficiencies, eliminating debt and producing a product line that is innovatively redesigned and in demand by the consumer?

Where, at Ford Motor Company, are the Dieter Zetsches who recognized opportunities at Chrysler and brought newly designed products to the market that sold profitably?

WE DO NOT SEE ANYONE LIKE THAT AT FORD.

It is incumbent on Bill Ford and the rest of the board of directors to take a more pro-active role in changing the current leaders with ingrained thinking to ones who are able to compete in this new marketplace. Without immediate and substantial changes in direction, it is doubtful the Ford Motor Company will be able to successfully compete.

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