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OAKLAND COUNTY'S AUTO INDUSTRY AND BUSINESS NEWSPAPER

MARCH 6, 1995

## CUSTOM FIT

The Detroit Transportation Club hosted a U.S. Customs Service Special Agent at their February luncheon — he spoke on customs fraud, its application to shippers and the responsibilities of all parties involved.

See CUSTOMS, page 2 >

## DEALERSHIP LOYALTY

Along with improved customer satisfaction, that's what Chevrolet is trying to promote with its new Career Builders program that honors salespeople who stay at dealerships for more than three years.

See CHEVROLET, page 6 >

## MOTOWN HOEDOWN

The Motown Museum hosted its annual fund-raising dinner and dance last week to help with renovation of the old Hitsville USA studio on West Grand Boulevard in Detroit's New Center Area.

See PARTY, page 6 >

## CLEAN AND CLEAR

Orbital Engine Co. has long said it would provide automakers with an alternative to the four-stroke engine with its two-stroke, however, U.S. emissions standards have stood in the way of the in-

# EATON ATTACKS FEDERAL REGULATIONS

By Scott Roush  
Staff Writer

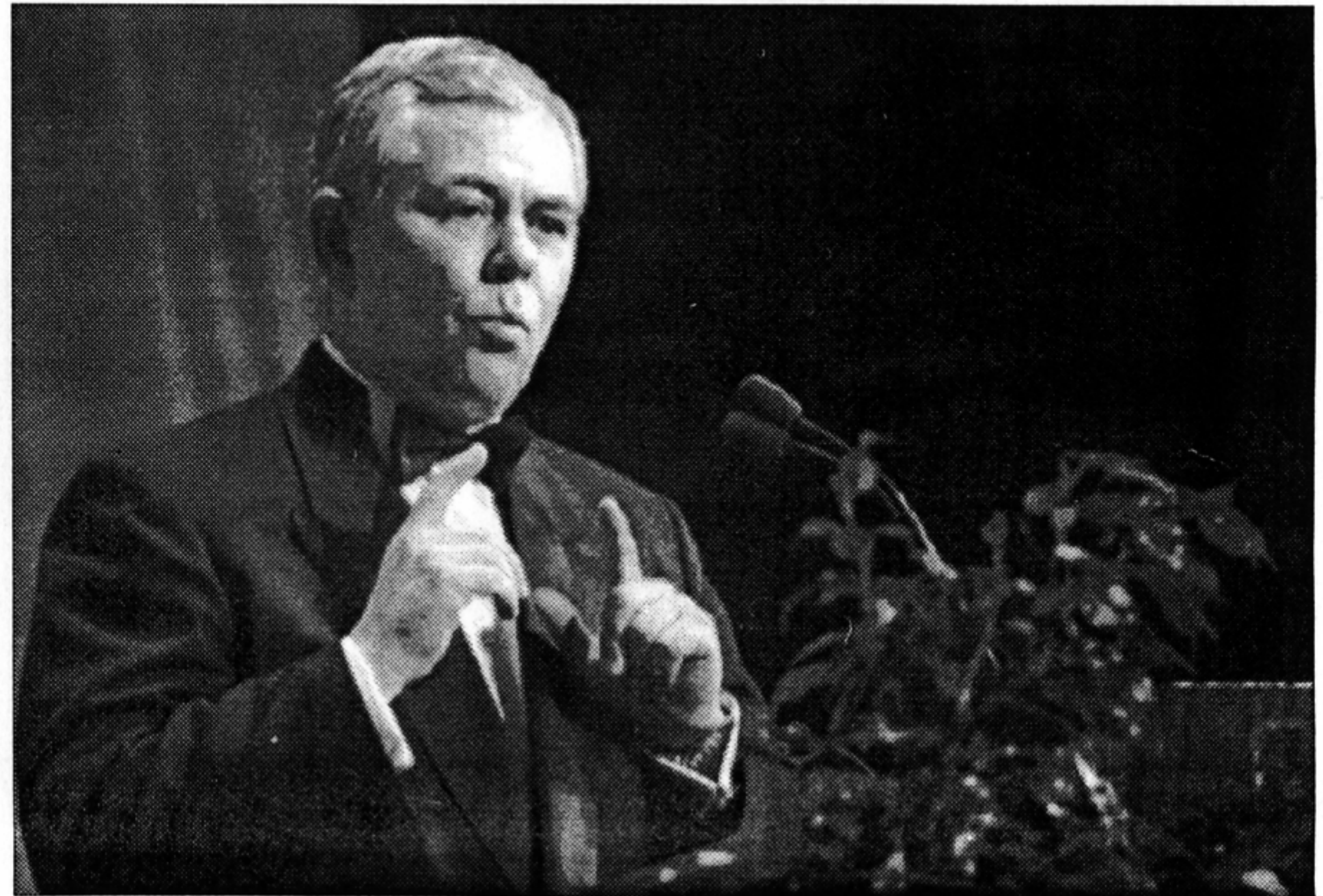
Chrysler Corp.'s Chairman Robert Eaton wrapped up the 1995 SAE International Congress and Expo with a speech that criticized the federal government for regulations stifling the growth of the auto industry.

From voluntary recalls and workplace streamlining to the average cost of today's vehicle, Eaton questioned the government's role in regulating business during his "Engineering for Value" presentation.

But Eaton did approve of what some of the government is doing. The Chrysler boss praised House Speaker Newt Gingrich and other Republicans' attempts to reduce some of the bureaucracy in Washington through the "Contract with America."

Eaton discussed how the automotive industry has reduced its workforce since 1950 and how the federal government has failed to reduce its workforce over the same time period. This, according

See EATON, page 4 >



**CHRYSLER CHAIRMAN** Robert Eaton's speech at the SAE Congress and Expo banquet at Cobo Center was critical of the number of industry regulations coming from Washington.



science and technology on March 6 from noon -1 p.m. Call (810) 370-3574.

**QUALITY WORKSHOPS** A nine-week workshop, *Improving Productivity Through Statistical Quality Control*, starts March 20, from 6 -9 p.m. at Oakland University. Another workshop at OU, *Improving Customer Satisfaction Through Process Control and Quality Planning*, starts March 21 from 6 -9 p.m. Call (810) 370-3120.

**"LOVE LETTERS"** St. Dunstan's Guild of Cranbrook presents "Love Letters" by A. R. Gurney March 10, 11, 17 and 18. This performance piece delivers letters exchanged over a lifetime between two people who grew up together, went their separate ways but continued to share confidences. The show starts at 8 p.m. in St. Dunstan's Playhouse in Bloomfield Hills. Call (810) 644-0527.

**VOLUNTEERS NEEDED** The Oakland County Retired and Senior Volunteer Program (RSVP) seeks volunteers 55 years and older to become involved with community agencies who need assistance. Varied opportunities are available at schools, hospitals, libraries, human service agencies, and cultural institutions throughout Oakland County. Contact Linda Kaniewski at (810) 333-3716 ext. 115.

**CHILD SAFETY** "Northwest Troy Partnership Talks Safety" will be presented March 8, 7 -9 p.m. at Hamilton Elementary School on Northfield Parkway in Troy. Presentations by members of the Troy Police Department will include: home security, bike safety, how to use your police department, K-9 officers, child safety and personal safety. Admission is free. Call (810) 740-0431.

**MUSICAL CELEBRATION** Inspired by stories from and about the AIDS Memorial Quilt, "Quilt, A Musical Celebration" fills the theater with images of laughing, living, leave-taking and love. The show takes the stage March 10 and runs for three consecutive weekends. Call (810) 370-3013.

**CANCER PROGRAM** Crittenton Hospital in Rochester and the American Cancer Society are sponsoring a four-week "I Can Cope" program that began Feb. 22 and continues for four consecutive weeks. "I Can Cope" will be

tax strategies. Featured speakers include Peter Bewrchy, Richard Falck and Davis Senatore, financial consultants. The seminars will take place at the Columbia Center in Troy across from the Troy Marriott. Call (810) 227-1931.

**"ROYAL TOMBS OF SIPAN"** This heralded exhibit will be on display at the Detroit Institute of Arts from now through April 30. Tomb robbers unearthed treasures from a pyramid near Sipan, Peru, and flooded the international art market with gold and silver artifacts. The exhibit features exquisite gold and silver jewelry, semi-precious stones and other artifacts excavated from the richest tombs ever explored in the Americas. Call (313) 833-2323.

**BIRDS OF PREY** Join an expert ornithologist for a talk featuring live Michigan wildlife March 14, 7 -8 p.m., at Edsel and Eleanor Ford House. Special guests could include a Barn Owl, Red-tailed Hawk and American Eagle, among others. Suitable for adults and children 6 and older. Admission is \$3. Call (313) 884-4222.

**AUTOMOTIVE MAGNESIUM** The International Magnesium Association is sponsoring an educational seminar on magnesium in automotive applications, Apr. 4, 8 a.m. -4 p.m., at Laurel Manor, 39000 Schoolcraft in Livonia. There is no charge for attending the seminar. Form reservations call (703) 442-8888.

**RAPID PROTOTYPING** Register now for the Rapid Prototyping & Manufacturing '95 Conference and Exhibition, May 2 -4, at the Hyatt Regency in Dearborn. The event, sponsored by the Society of Manufacturing Engineers, will feature 60 exhibitors and 40 conference presentations. Keynote speaker is Mary L. Good, undersecretary of technology at the U.S. Department of Commerce. For more information call 1-800-733-4763.

**MANAGING DIVERSITY** The University of Michigan-Dearborn's Center for Corporate and Professional Development helps you update your managing skills. The CCPD will be offering a course on "Diversity: Awareness & Understanding" March 20 and 21, 8 a.m. -5 p.m. The cost for this interesting program is \$536 per person. Call

# Eaton Says Governmental Regulations Negatively Impact Industry's Progress

From page 1

to Eaton, just one way the auto industry has streamlined and the government hasn't.

In 1978, the auto industry was at its peak employment at 1 million workers. That same year the federal government employed 2.8 million civilians. "Today the automotive industry has reduced its workforce to 575,000," he said. "What happened to those 2.8 million federal employees in the meantime? They grew by 100,000 (almost the size of Chrysler Corp.)."

Eaton also talked about process. "We figured out a few years ago that managing the process makes a lot more sense than just trying to manage the outcome," he said. "That's how we cut our workforce so much and got so productive."

Eaton continued by saying that no industry is more heavily regulated than the auto industry. He added that because the industry is so visible, there is no better target when the government pursues a crusade like voluntary recall.

Voluntary recall is negative for the industry, Eaton said, because of the bad public relations that go with a product recall.

"If you do what the government asks you to do, in the eyes of the public you must have a faulty product," he said. He referred to the dispute General Motors had concerning its pickup trucks as a prime example of where the au-

tomaker faces a no-win situation in public opinion.

Chrysler might be in a similar situation with one of its vehicles. Reports have criticized the car company for flawed rear door latches on its best-selling minivans from 1985 -94.

"The cost and the risk of delaying them are too great for many companies to even contemplate," Eaton said of the agencies who regulate the industry.

Regardless, today's auto workers are more productive than in the past because of better management according to Eaton. In 1978, the industry produced 13 vehicles per employee. This year that figure is 21 vehicles per employee.

"We can continue this process," Eaton said of the improved production.

The federal government announced that the average price of a 1995 vehicle rose to approximately \$20,000. Eaton said the government failed to include incentives when it calculated those figures, but that number could soon be reached due to government regulations.

"The public mood is decidedly anti-Washington, and that means the appetite for more rules and regulations is just about gone," Eaton said.

The auto industry itself needs to improve the affordability of cars, but with governmental interference it will be difficult to

promote "Engineering for Value" according to Eaton.

"The future profits have to come from the product instead of the customer," he said. "Costs have to be engineered out, and they have to come out without compromising product integrity."

