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T. G. DENOMME

September 2, 1987

B. E. Bidwell

G. Greenwald

R. A. Lutz

R. S. Miller, Jr.

H. K. Sperlich

RECRIVED

SEP 0 9 1987

FRANCOIS CASTAING

Attached is a revised copy of the LAI Priorities we discussed at our meeting yesterday.

TGD:bw

Attachment

cc: L. A. Iacocca

TAT PRIORITIES

- #1 improving "Real" quality is the first priority ... we are fully committed to this task. If more people resources are needed to equal Ford quality, they will be another immediately. Sperlich, Dauch, Withrow and Lutz are fully accountable.
- #2 Improving "Perceived" quality is the second printity ... a five-year marketingadvertising plan using a consistent approach and theme is to be developed. Plan is to quantify the needed resources. Bidwell-DeLuca to develop.

Specific Near Term Opportunities (1988-92)

"Bringing Revenues In"

- #3 Exploit C Body ... pricing, intro incentives, Crystal Key and "special" service ideas.

 Bidwell to head team to develop plan.
- #4 Establish a SWAT tear to sell 50,000 more Jeeps ... names, plans, strategies, etc. CFC to participate. Bidwell to head up team.
- #5 Establish a SWAT team to produce and sell 50,000 more Minivans. CFC to participate. Greenwald to head up team.
- #6 Exploit the Middle/Upper Middle 4-Door Market
 - A) Confirm M Body V-8 sales through research ... is it 10,000 or 100,000 units? If volume supports, add pricing, freshening and "sparkle/ finesse" elements to program.

 Bidwell and Sperlich to develop.
 - B) Establish firm plan (including specific dates for design approval, pricing, franchising, etc.) for Dodge version of Premier ASAP.

 Add "sparkle, refinement and finesse"--like C Body--to Premier. Sperlich and Bidwell to handle.

"Getting Costs Cul."

P Car and Dakota 10%-ASAP. Identify engineering resources needed, tooling, timing, etc. What was variable cost status at program approval time for both? How was variable cost tracked over time?

Speclich, Lutz and Steffen to report.

- #8 Identify 10 "things" (or areas) where buff books have been most critical of our cars, e.g. fit-finish-"parts bin"-interiors-etc. Identify corrective actions to confirm we're "all set" by 1990. Sperlich to handle.
- #9 Finalize Timing Priorities:
 - Can we advance T300 Program one year? <u>Lutz to report</u>.
 - Can we advance new LE Car Platform at least one year? ... hottest model' one plant to start. Sperlich to report.
 - Is new ZJ most important program? Can the XJ be refined/improved and produced longer? Lutz to report.
- #10 Make investments necessary to continue CSI improvements. Bidwell to quantify Ford's "funds for taking care of customer" advantage and match to make us competitive.

Corporate Planning and External Affairs Revised September 2, 1987