



PACKARD ELECTRIC

Cablegram

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1917 PACKARD

Season's
Greetings

News - - briefs

Early December deliveries decline

GM dealers report car sales totaling 79,880 units during the first 10 days of December, a 26.4 percent decline from the 108,585 cars sold in the period a year ago. In addition, truck sales totaled 22,268 units, down 14.3 percent from last year's 25,960 deliveries. Among the divisions, Cadillac and GMC Truck & Coach reported gains in early December, 27.2 percent and 9.3 percent respectively.

Inventories hit record high

Automotive News reported also that the sales slump has pushed domestic new-car inventories to an 83-day supply on December 1, the highest ever for that date. According to the story, supplies on November 1 were at about 81 days, and on December 1, 1980, inventories stood at a more manageable 65-day supply. At the start of this month, GM had a 77-day car supply, which was unchanged from last month; Chrysler stocks rose to 103 days, from 91 days; Ford's car supply was at 89 days, down from 91; AMC opened the month with a 76-day stockpile, down from 87 days, and VW of America's car supply was 94 days, up from 66 days.

'U.S. could lose industry,' Professor warns

The American auto industry is in the process of moving outside the U.S., and we will only keep it here if we restore the enormous growth conditions in car ownership that existed up until the mid-1960s, according to a University of Michigan economist, Professor Ross Wilhelm. Some of those factors, says Wilhelm, were: 1.) Rising real consumer income at a rate of over three percent a year, 2.) favorable public and political climates towards car ownership, and 3.) declining real cost of cars. Wilhelm said that over the last 20 years, consumer and government groups alike have been waging war on the auto industry, but "I suspect more politicians are beginning to recognize the implications for society if we lose the automobile industry."

Board elects new VP

The Board of Directors of General Motors announced the election of Donald E. Hackworth as a vice president of General Motors, effective December 7. In a separate action he was named president and general manager of General Motors of Canada Limited. Hackworth, 44, who is general manufacturing manager at Oldsmobile Division, succeeds James Rinehart, who recently resigned.

Packard Electric Cablegram

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An equal opportunity employer
Joe Tori, editor
Michael Hissam, associate editor
Allan Csiky, general supervisor, communications & graphic arts
Phone: 373-2348 PBX 2348
GM Network 8-531-2348

'You are the real Santa Claus'

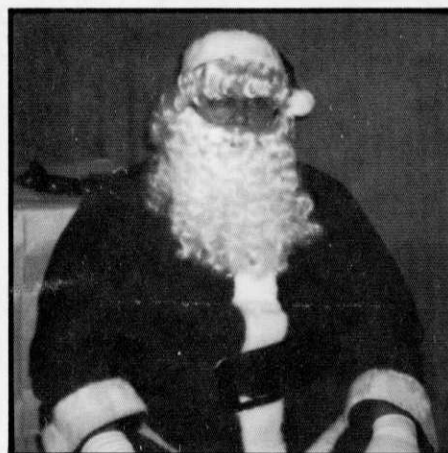
Employee well suited for Santa role

Santa Claus. The white-bearded rotund jovial chap who knows when you've been sleeping and knows when you're awake . . . and good for goodness sake.

For one Santa Claus, also known as Mathew Ezzo, Dept. 4251, a keen memory helped him convince a skeptical seven-year old that Ezzo is the real Santa. But that story comes later.

Ezzo has been donning his Santa gear for the past fifteen seasons. It is a skill he learned from his father. "My dad used to play Santa Claus. He'd dress up and we'd put him on a chair in the back of a pickup truck and drive around Girard. He'd throw candy to the kids and the truck would stop at the houses of friends and he would go to the door, knock and surprise the youngsters . . ."

Ezzo said that when his father became older, it was time for the son to carry on the tradition. "I used the suit he gave me for many seasons. A couple of years ago I had a new suit tailor-made for me. I would go door-to-door to friends homes in my area of Brookfield. I also would appear at



Ezzo

church and scout activities just about anywhere someone wanted me to appear."

Those 'on-the-roads' deals were also the source of amusement for Ezzo. "I'd dress up just before leaving home and my wife or a friend would drive me to wherever the appearance was. You should have seen the motorists on the highway do double takes. A couple of them nearly went off the road."

He said he earned his rank as "the"

Santa Claus early in his avocation as the result of a dialogue with a witty seven-year old. "Rudy was sitting on my lap and asked, 'Are you really Santa Claus?' I told him that I was. He then asked me how I knew his name. To that I responded 'Santa knows every youngster's name.' Then he tested me by asking if I knew what he received for Christmas one year earlier. I paused for a moment and suddenly remembered a conversation with his father and recalled several items the boy received. When I mentioned the gifts, the boy's eyes grew bigger and he stated, 'You ARE the real Santa Claus.'"

More recently, Ezzo has been convincing Plant 42 employees of his Santa-personality by being the attraction in the "Have your picture taken with Santa" fund-raising project at the Hubbard plant. "I have done this for two years now, and I am glad, because the proceeds from the Plant 42 effort go to help the needy."

Speaking of proceeds, Ezzo said he never accepts a fee for his appearances. "I do this for nothing. I just love the kids . . . that's all!"

GM encouraged by UAW decision

General Motors was "greatly encouraged" by the UAW's decision that its individual bargaining councils are free to consider reopening the present contracts, the chairman of General Motors said recently.

"This is certainly a positive step in the right direction. In my opinion, it shows enlightened leadership on the part of the union," Roger B. Smith, GM's chairman, told members of the City Club of Cleveland.

"It could represent a real turning point in the fortunes of the U.S. auto industry and for our entire country," he said.

Such action, Smith stated, can provide a major step needed now to help "ensure the survival and ultimate triumph" of the U.S. auto industry against foreign competition.

Management must do its share too, he said, and added that government also has an important role to play.

He commended the administration for actions it already has taken to "improve the competitiveness" of American business, and specifically cited plans to revitalize the economy, reduce inflation and ultimately cut high interest rates.

"We certainly welcome these initiatives," Smith said, "but the time is right—right now—for another decisive action." "Before Congress goes home for the holiday," he stated, "we believe it is urgent that the Clean Air Act be amended." If this is done, car prices can be lowered and thousands of jobs can be created for American auto workers. And all this can be done without sacrificing the purity of the nation's air, he said.

But Congress must act quickly, Smith urged, because "time is running out" for removing unnecessary emission-control equipment from 1983 model cars that are being readied for market now. And automakers won't have another chance to make such alterations for a full year.

If just two proposed changes are made in the Clean Air Act, he said, "we'll be able to remove some costly emission controls from our new automobiles. The costs we would save would be passed on to our customers in

the way of sticker-price reductions. On some cars, savings could be up to \$300," he added.

"On the other hand, if Congress should delay action on the Clean Air Act until next March, we estimate it would cost buyers of future new GM cars as much as a billion dollars a year."

The two changes GM's chairman advocates are returning to the 1980 standards of seven grams per mile for

carbon monoxide and two grams per mile for oxides of nitrogen. In both cases, air quality would continue to improve, Smith said. He cited new environmental monitoring data to support GM's contention that the changes it is proposing would not jeopardize the achievement of national air quality standards or the public health these standards were established to protect.

"We're definitely on the side of clean air," GM's chairman said. "We're also on the side of lowering the prices of our vehicles, of creating more vehicle sales and, ultimately, more American jobs."

"For every one percent price reduction through removal of unnecessary emission-control hardware, we estimate that there could be a net gain of up to 4,500 auto industry jobs," Smith stated. "And while jobs were growing in our industry, there would be an additional gain on the order of 9,500 jobs in related supplier industries. "That's a total of 14,000 jobs in all—and for every additional one percent cut in price on an industry basis, another 14,000 jobs could be created."



Smith

General manager offers thoughts for Christmas holiday, year ahead

In this, my first holiday season as General Manager of Packard Electric, I have been most impressed by the spirit and generosity of Packard employees in their efforts to help others in the Packard community share in the blessings of the season.

Despite these times of uncertainty for business and our concern over individual security, Packard people have again seen fit to make sure that the holidays will be brighter for others.

This past year has not been easy for Packard and the rest of the automotive industry. We are in a much different ball game now than we were a decade ago. The challenges we face are more demanding: We can no longer take our market for granted. As we begin 1982,

we do so realizing our biggest job in this industry is to produce only the highest quality products and at a competitive price. In this regard, it will not be an easy task. Each and everyone of us must do our part. It will be the time to show what we can do, and I'm sure that we at Packard, as well as others in General Motors, will rise to meet the challenge.

I am confident that Packard and its people will emerge from the current economic situation stronger and more competitive.

At this time, my wife Mary and I would like to wish each of you at Packard and in the community a safe, holy Christmas and a most rewarding 1982. May God bless all of you.

Corporation struggles for survival

Salaried policies, benefits altered

In light of the need to become more competitive with foreign competition, General Motors finds it necessary to take both long-and short-term actions which will significantly modify salaried policies and benefit programs.

"What we are talking about is the alteration of policies and benefits that GM was able to afford to give employees during times when business was better," Dick Huber, director of Personnel and Public Relations, said.

Permanent modifications

Paid time off policies:

- Existing Supplemental Time Off (STO) and "floating" holiday provisions for classified salaried employees will be discontinued permanently.

- For bonus-eligible employees (who in 1980 were granted five additional vacation days in lieu of the STO days and "floating" holiday granted at that time to classified employees) the existing vacation eligibility will be reduced by five days for 1982 and thereafter.

Compensation policies (effective January 1, 1982)

- Cost-of-Living Allowance (COLA) will be paid to classified employees only for time worked (vacation, holidays, sickness and all other absences from work).

- For bonus-eligible employees, an amount equivalent to COLA will be deducted from base salary for time not worked.

- Savings-Stock Purchase Program** — The following changes, which will make the S-SPP more advantageous, are effective January 1, 1982 and are subject to receipt of favorable rulings from the internal revenue service:

- GM is at a severe cost disadvantage in its efforts to combat foreign competitors who can offer a comparable vehicle at nearly a \$1,500 advantage per vehicle, in some cases.

- "We recently outlined to salaried employees the changes in policies and benefits. The policies and benefits which have been permanently modified for salaried employees include:

- Paid time off policies
- Cost of Living Allowance being

- The earn-out period will be reduced from three years to 2½ years. This will make it possible to receive two distributions in 1982.

- The six percent penalty on withdrawals of GM contributions and earnings from matured classes is eliminated. This means employees can leave funds in the tax-sheltered trust beyond maturity and still have access to them without paying a penalty.

- Earnings on savings above 10 percent of eligible salary now may be withdrawn along with savings prior to class maturity.

New Personal Retirement Income Plan

— This new plan will become effective in the spring of 1982 and will enable employees to take advantage of a new tax law which allows more people to participate in Individual Retirement Accounts (IRAs). Specifics of this new plan have not been finalized, but in general, it will allow employees to contribute up to \$2,000 annually (deductible from taxable income). Various investment options will be available, and both savings and earnings will be tax-sheltered until withdrawn.

Comprehensive Medical Expense Insurance Program

— The following

changes, effective January 1, 1982, unless otherwise indicated, affect only the Major Medical portion of the total health care program. No changes are being made in basic health care coverages:

- The Savings-Stock Purchase Program

- New personal retirement income plan

- Comprehensive Medical Expense Insurance Program

There is also a temporary modification to the vacation policy for salaried employees.

"This is the time for GM — and Packard employees — to pull together

changes, effective January 1, 1982, unless otherwise indicated, affect only the Major Medical portion of the total health care program. No changes are being made in basic health care coverages:

- Annual deductibles will be raised from \$50 to \$125 for individuals, and from \$100 to \$250 for families.

- The program now will cover 80 percent of the first \$5,000 of covered annual expenses after the deductible is paid, and 100 percent thereafter (except for certain psychiatric expenses). Currently, the program covers 80 percent of the first \$2,500, and 100 percent thereafter.

- Monthly contribution rates will be increased February 1, 1982, as follows: Single coverage, from \$.45 to \$2.50; two-party coverage, from \$1.10 to \$4.70; family coverage, from \$1.30 to \$7.70.

- The co-payment will be increased from 20 percent to 50 percent for out-patient psychiatric care received for non-psychotic conditions.

- \$3.00 co-payments for prescription drugs, as well as the expense of non-prescription drugs, will no longer be covered by CMEIP.

- The amount of reimbursable expense

and work toward our goal of becoming competitive and insuring our future.

Our people now realize the job that must be done. In our third quarter alone, the corporation lost \$468 million dollars — 468 followed by six zeroes for a loss, not a profit. Few major companies can survive that loss, let alone be able to begin to work for recovery. We at GM and Packard are working for that recovery," Huber concluded.

for skilled nursing care received at home will be limited to the amount that would be reimbursed for similar care received in a skilled nursing facility.

- Charges in excess of the reasonable and customary fee of a provider of care for the services received, as determined by the insurance company, will no longer be covered.

- All future claims must be received by the insurance company before December 31 of the calendar year following the calendar year in which the expenses are incurred.

Temporary modifications

Effective immediately, vacation eligibility will be reduced 50 percent (For bonus-eligible employees, this temporary modification applies to the amount of vacation eligibility remaining after taking into consideration the permanent modification noted above.)

In individual cases, where commitments for 1982 vacation plans have been made, employees may elect to take any portion of the remainder of their previous vacation eligibility as time off without pay. It will continue to be the policy of the corporation to insist that all 1982 paid vacation be taken.

Meyer closes books on 46 years

By Michael Hissam

When Florence Meyer began her career at Packard Electric on Nov. 18, 1935 in General Accounting her most immediate goal was to repay a debt of \$200 for her college tuition. Little did she realize that she was embarking on a career of 46 years spanning all or parts of six decades with the division.

Meyer, of Accounts Payable, will retire on March 1, 1982.

Looking back to those first days on the job, she remembered a feeling of relief. "I needed a job so badly. I owed \$200 for my business college education from the Warren Business College. Packard had called the college and told of an opening in General Accounting, and the head of the college told me about it. I graduated on a Friday and on the next Monday went right to work at Packard.

"I was so thankful for that job.

Those were hard times. I had a widowed mother and two younger sisters at home. People now don't realize what tough times we had then. There was no unemployment or relief as we know it now."

Good Times

Between the time she was hired and the start of World War II, Packard went through a period of growth. "Packard was growing in my first years here. I remember that to do filing related to my job, I had to go outside and walk across the railroad tracks to get to the files, even in the winter."

She was one of the first four employees to work for the Accounts Payable Department when it opened in May of 1937.

War years

Business depression of the '30s was changed into a determined-to-keep-America-free war economy of the early 1940s, which affected Packard, Meyer

said. "I remember a particular stamp used on certain invoices. The stamp said 'B-29.' It was one of those secret projects here and few details were known about it.

"Quality was of the highest importance as far as our work was concerned. 'E for Excellence' was stressed. Because Packard was able to meet certain quality requirements, we were able to keep flying the 'E' flag."

She recalled that after the war there was a transition period as Packard regeared for peacetime production. "For me, working in Accounts Payable, I noticed Packard's growth through the payment of bills to different companies."

'Always a new building'

In describing the 1950s at Packard, Meyer said, "There always seemed to be a new building." During construction of the new Administration Building and the first of the plants at North River Road, she recalled a special offer from Packard to its employees. "I remember that Packard bought the houses along Bank Street and offered them for sale at bargain prices to employees. The catch was that the homes had to be moved from the land in order to permit the building of the parking lot. I thought about buying, but two things bothered me; no lot and not enough money.

25-year award

"My 25-year service 'class' was one of the first to receive a watch. I remember when General Manager Carl C. Rigsby shook my hand and smiled as he said, 'Don't be nervous, Florence.' I had just tripped coming up the stairs to get my award," she noted.

Meyer added that during the days of expansion during the '60s she attended the various open houses held at the plants in order to make a special visualization. "I dealt with invoices with words on them such as grommet,

gasket, copper rod, and others. Over the years, I paid the bills, but at times couldn't visualize what I was paying for."

Changes in the business picture at Packard and the business situation for GM during the 1970s and 1980s caused concerns for the employee who had surpassed the 40-year mark in service. "When the plants started up in Mississippi and in Mexico, I was concerned about the level of employment in Warren. I also was concerned about Packard remaining competitive in the market and meeting the competition since only that will protect our people. The thing that bothered me the most during that time was to see foreign-built cars show up in our parking lots; that's biting the hand that feeds you."

'Did it before . . .'

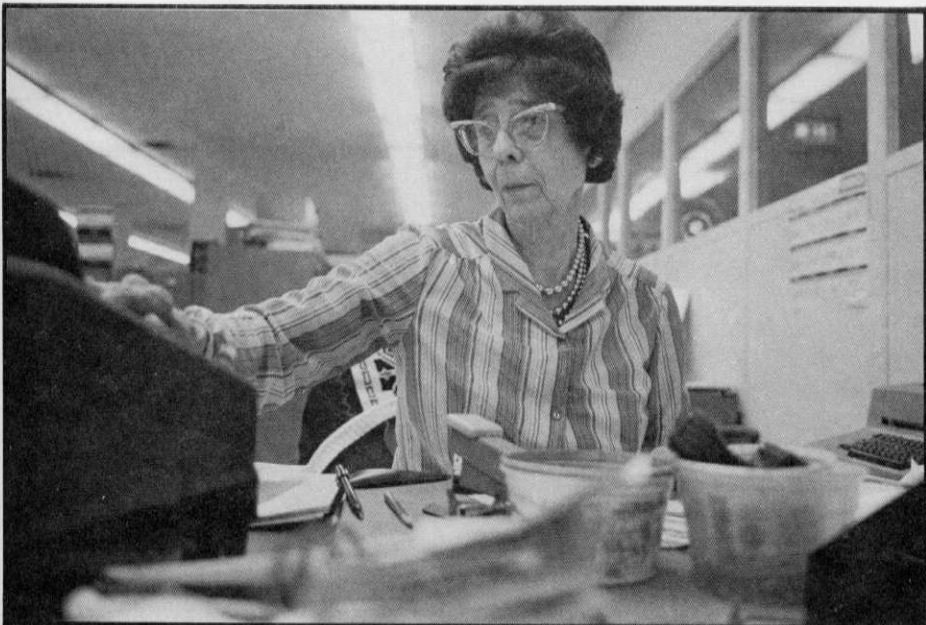
Meyer advised that over the years she followed a philosophy that called for respect for elders, other's opinions and being friendly. "I advise the new people to respect Packard. The benefits here are so great; I can remember the days we didn't have as many. I advise them to be thankful for a job and to remember that it takes time to achieve levels of success. I also urge that they try to do something new for the job. I also recommend participation in the suggestion system."

Retirement

Item number one on Meyer's retirement agenda is "sleeping in late." Also included in her plans are additional work around the house and trying out various recipes. "I hope I don't get fat. I've kept within a five pound weight range over 30 years.

Other plans include visiting her 94-year-young aunt in Arizona whom Meyer describes as a "very lively lady."

"Packard has been so much of my life . . . Now, I want to get into other endeavors," Meyer reflected.



AN ERA ENDS — Florence Meyer, of Accounts Payable, will retire after 46 years of service to Packard Electric.

Chic' and sleek . . .

All new Buick Century Sedan features transverse mounted engine, front-wheel-drive, and an aerodynamic design. Engine options include a new 3.0 liter V6 and a 4.3 liter V6 diesel. The Century will be available in four models: Custom Coupe and Sedan, and Limited Coupe and Sedan. Also redesigned, the 1982 Firebird Trans Am is powered by a 5.0 liter, four-barrel, V8 engine and comes standard with a functional wing-type rear spoiler. Cargo space is improved with a fold-down rear seat and large, contoured, frameless, all-glass hatch.

New weekly publication evolves, replaces **This Week, Cablegram**

With this issue, publication of the **Cablegram** draws to a close. The publication has existed in some form since 1927.

Wednesday, January 13, 1982 will also mark the end of publication for **Packard This Week**.

Publications at both Mississippi locations will remain unchanged.

On January 21, 1982, a new weekly publication will be introduced replacing both previous publications.

According to Mary Jane Taylor, Public Relations manager, "The new

publication will focus primarily on local 'hard' news, with a balance of in-depth informative articles and features of divisional interest."

"In their time," she noted, "both **Packard This Week** and the **Cablegram** served a purpose, and served it admirably. But, the auto industry is entering a new era, and so too must our communications. We must take a hard look at our publications and redesign them to meet the needs and challenges of the future philosophically and economically."

Retirees' corner

KATHERINE R. RASCHAK
Dept. 4274 — 37 years

DOLORES S. TRACY
Dept. 1235 — 16 years

ALMA G. RAYMOND
Dept. 1436 — 17 years

EUGENE R. LONGO
Dept. 1069 — 30 years

ELIZABETH STRECKANSKY
Dept. 1174 — 28 years

INEZ B. GARDNER
Dept. 341 — 24 years

GEORGE D. KASCSAK
Dept. 4551 — 44 years

THERESA P. BAHNY
Dept. 1274 — 29 years

HELEN KOSTYO
Dept. 859 — 42 years

ROBERT G. BLACK
Dept. 947 — 34 years

MARIE T. FERRARO
Dept. 1232 — 28 years

MARTIN L. BAUM
Dept. 4574 — 38 years

ELIZABETH W. DERICO
Dept. 351 — 30 years

WILLIAM W. STANKUS
Dept. 1057 — 27 years

LLOYD D. JACK
Dept. 84 — 33 years

JOHN H. SMITH
Dept. 74 — 22 years

THOMAS E. TAYLOR
Dept. 1071 — 23 years

DELBERT W. LINGINGER
Dept. 1174 — 30 years

ALEXANDER J. PAZZINT
Dept. 515 — 10 years

PHILOMENA G. TAMULIONIS
Dept. 351 — 29 years

EARL E. McELRATH
Dept. 547 — 30 years

OLIVE B. LIEBERT
Dept. 1354 — 26 years

MIXIE MILLER
Dept. 304 — 23 years

BETTY C. WHITE
Dept. 552 — 29 years

ANDREW SVONAVEC
Dept. 1236 — 31 years

RICHARD T. WALKER
Dept. 947 — 26 years

JEAN C. CALDWELL
Dept. 1274 — 23 years

ROBERT D. BURGESS
Dept. 552 — 34 years

MARION D. NAYLOR
Dept. 308 — 26 years

DORIS G. KROK
Dept. 374 — 26 years

ESTELLE F. KOOK
Dept. 1305 — 34 years

GEORGE RICHIE
Dept. 952 — 22 years

MICHAEL J. MITULINSKY
Dept. 910 — 26 years

VIOLET W. WELSCH
Dept. 374 — 30 years

JONATHAN B. RUITER
Dept. 4502 — 14 years

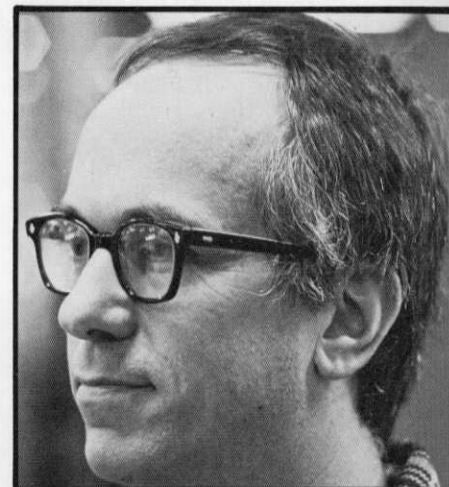
IRENE H. TARKANE
Dept. 1442 — 28 years

Packard probe

QUESTION: To what extent do you believe General Motors faces serious financial difficulties?

Gary Fields
Dept. 1142

"I think there's a serious financial problem in General Motors, but in the past there's been a credibility problem between labor and management. I think we need a lot of good communications to resolve this credibility problem."



Fields



DeLeo

Mary DeLeo
Dept. 1174

"I feel they are in serious trouble. The only way I see out of it is to lower car prices and for everyone to work a little harder."

Flora Simmons
Dept. 1149

"I feel they aren't in any real serious financial trouble, it's just that they are crying because the world economy has changed. At one time they were on a high level, and whatever goes up has to come down sometime."



Simmons



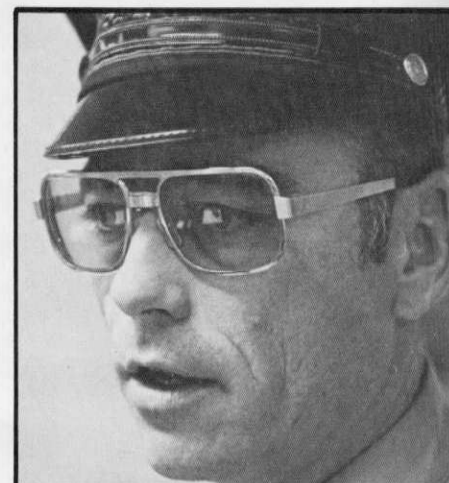
O'Brien

Mary O'Brien
Dept. 99

"I think to a great extent they face financial difficulties. Eventually, I think we'll see a way out of it. But in the meantime, we have to be prepared to make some sacrifices and help out wherever we can."

Larry Palmer
Dept. 53

"The way I see it, things are very serious just as Hal Lindsey predicted in his book of 1970. I think things are going to get worse before they get better, if they ever get better."



Palmer