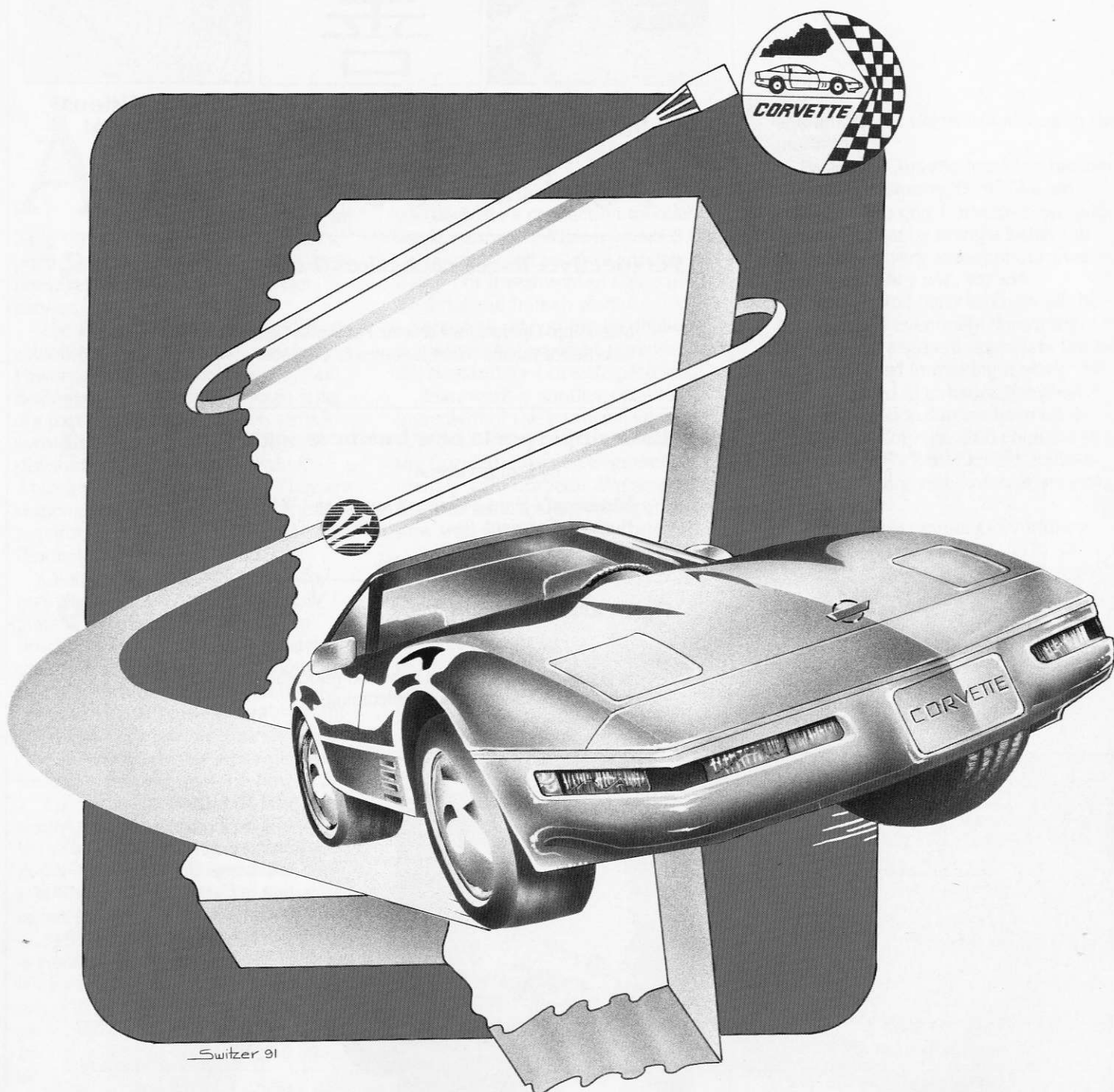


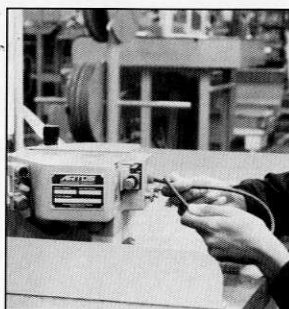
The Packard Electric GLOBE

The divisional magazine covering Packard's worldwide operations



Switzer 91

Driving quality home



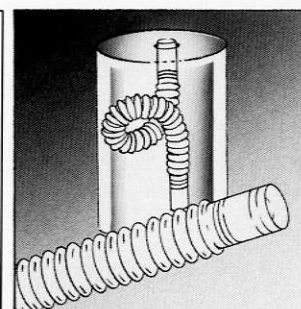
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Packard employees from Ohio who relocated to Laredo, Texas, find the area friendly and welcoming.

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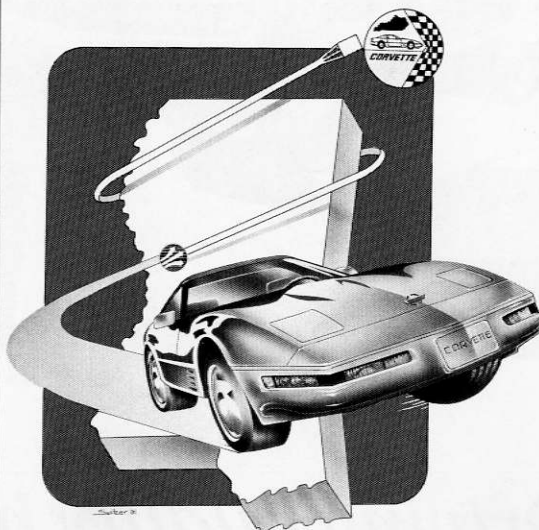
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On the cover:

This illustration by Carolynn Switzer represents Packard's Mississippi Operations' connection to Corvette, their customer in Bowling Green, Kentucky. Switzer is a graphic artist in Plant 24 in Clinton, Miss.

See story on pages 3 through 5.

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The Japanese characters — which spell out *kaizen*, meaning "continuous improvement" — were drawn by Packard International's Kyoko Wean.

Excellence takes the fast track

At Packard Electric, exceeding customer expectations is our main objective; that's the essence of Excellence. And a team of employees at Plant 24 in Clinton, Mississippi, U.S.A., is pursuing this concept by taking a high-horsepower approach to customer service.

The Corvette Business Segment was established in January as part of the Power and Signal Distribution System Business Unit. Clinton employees who are part of this segment have virtual ownership of the power and signal distribution business for Corvette, America's premier sports car. They are responsible for all Corvette business functions except Sales and some Product Engineering activities.

Clinton ships products in one-day quantities to the Corvette assembly plant, located eight hours away in Bowling Green, Kentucky. We package these harnesses in the same sequence that our customers will install them in cars. And because the assembly plant maintains very low inventories, it's critical that we do our jobs right the first time, every time — on time.

This segment is a stand-alone business, to the extent that's possible in a traditional manufacturing environment. All of the functions which support the production people are located in Plant 24.

Achieving increased customer focus is what the Corvette Business Segment is all about. Our objective was to organize this business in a way that promotes doing the best job possible for the customer, while earning an adequate return for Packard.

Because the Corvette package is highly complex — 1,540 cut leads and 48 wiring assemblies delivered daily in Vehicle Identification Number (VIN) sequence — and relatively low-volume,

it will be a challenge to achieve both our customer satisfaction and cost objectives.

Obviously, there's risk involved when you dedicate a production module to a single customer. What happens if the Corvette doesn't sell well enough to justify our investment of equipment, material and human resources? We will have to rely on the flexibility of our people to respond to changes in the demand for Corvette products.

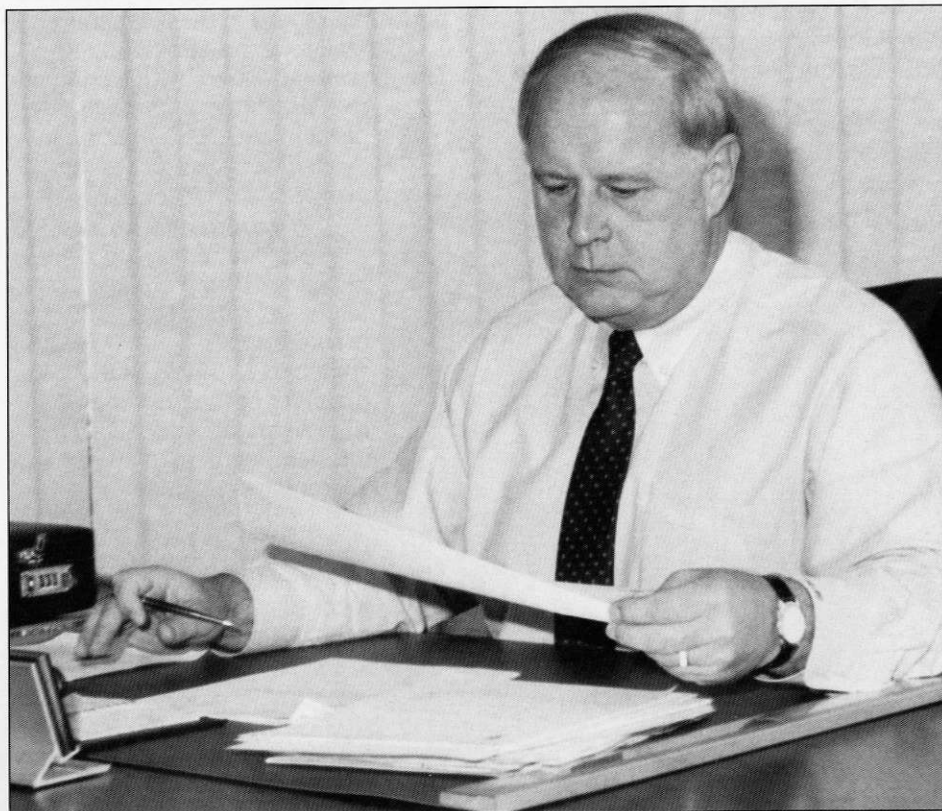
Teamwork is another essential ingredient of the business segment approach. Everybody associated with the Corvette Business Segment can identify with Corvette. We recognize that our security largely depends upon how well we support our customer,

and ultimately, Corvette's success in the marketplace.

Packard's Corvette team is a partner with their customer, C-P-C. We are attempting to give Corvette a competitive advantage by doing a better job for them in every aspect of our business: when they win, we win.

It's really too early to know all the benefits we'll eventually derive from the business segment approach, but we are committed to making it work. We clearly intend to enhance the good working relationship we have established with Corvette, and continue to expand the Packard Electric commitment to quality and customer service.

—Pat McCart,
Director, Mississippi Operations



Mississippi sports new business segment

*Clinton handles Corvette wiring
'from blueprint to customer'*

Last year, Packard Electric's Mississippi Operations in Clinton responded to a customer need by establishing a manufacturing module to produce the entire power and signal distribution system for Corvette.

In January 1991, the Mississippi Operations extended customer focus a step further with the creation of the Corvette Business Segment. This means Mississippi now has ownership of the Corvette wiring business from blueprint to customer. All Corvette business functions — except Sales and

C-P-C Resident Product Engineering — are handled in Plant 24.

Operations Director Pat McCart said the business segment approach offers a number of opportunities as well as providing:

- improved customer responsiveness
- more Packard employee identification with the car division
- improved cost reduction
- the potential to identify financial performance within the segment

"Basically, we are attempting to provide our customers with a competi-

tive advantage in the marketplace by doing a better job for them in every aspect of our business," said McCart. "When our customers win, we win. And our continuing job security depends directly on their continuing to win in the marketplace."

Robert L. (Buck) Butkowski, manager of the Corvette Business Segment, said, "This business segment/platform alignment is an innovative management strategy within Packard Electric. It challenges us to establish a customer-focused alignment without adding overhead. We do this by

consolidating functions and personnel who have the skills to perform more than one operation."

New Responsibilities

In preparation for the business segment, Clinton created Dept. 2409 as a platform-aligned, synchronous manufacturing module where Materials Management, Manufacturing Engineering and Manufacturing handle production of all Corvette wiring. Organization and responsibility of the new business segment also includes Finance and Applications/Methods Engineering.

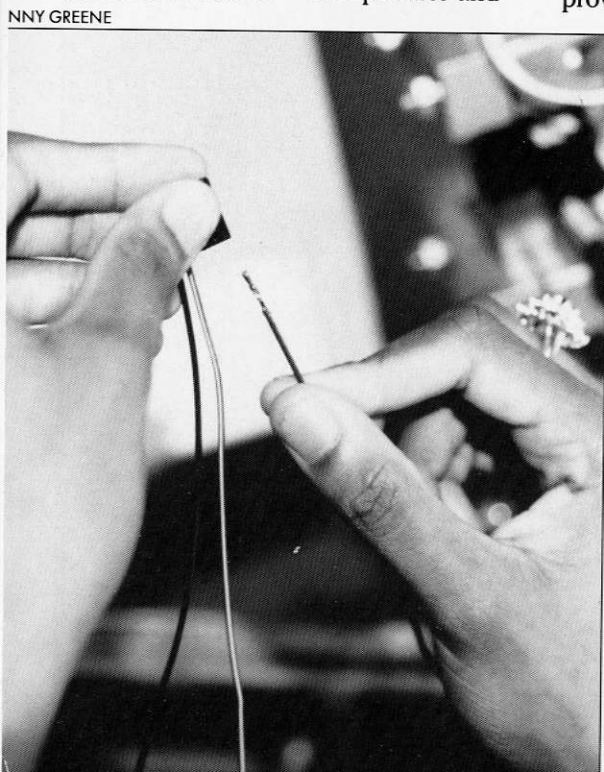
Under the watchful eye of Senior Accountant Kathy McLaurin, Finance is developing a reporting system to provide information on a profit/loss basis within the segment.

"In addition to monthly profit/loss statements, we're planning analysis to help target where cost reduction efforts would be concentrated and performance goals established. Every aspect of the business segment will be evaluated to determine ways to improve our costs and advance our competitive position."

Application and Methods Engineering is part of a multi-functional team that comes under the heading "Manufacturing Services." Team members include engineers concerned with Cooperative Involvement Engineering, Reliability, Methods, Pre-plan and Industrial Engineering.

Alison Jones, general supervisor of Manufacturing Services, said one of the team's main jobs is to come up

Attention to detail is vital while assembling the small Valet Mode Jumper harness, one of three harnesses made in Plant 24.



NNY GREENE



C-P-C BOWLING GREEN

C-P-C Bowling Green Operator Virginia Pethalsky installs a Packard wiring harness during early stages of Corvette assembly.

with a design for manufacturability.

"That means," said Jones, "that we will not put anything on the blueprint that will cause a problem in Manufacturing. In the past, Engineering and Methods have created product features and left it up to Manufacturing to determine how to do it. With input from all team members, we hope to eliminate manufacturing problems before they get to the floor."

Production Module

With 36 employees, the Corvette Module cuts 120,000 leads daily for 13 different harnesses and 23 part numbers.

Dept. 2409 is platform aligned in that the module manufactures cut leads to build all harnesses required in the vehicle in a predetermined sequence according to Vehicle Identification Number (VIN).

Customer orders drive the build sequence at the Corvette assembly plant at Bowling Green, Kentucky. Bowling Green then communicates the sequence to Packard's integrated assembly supplier in Yazoo City, Miss., which is expected to ship harnesses in sequential packs directly to the assembly plant.

Identified by part number and sequence number, the packs are taken directly to the assembly lines; assemblers know that the harness in the next slot is for the next car on the line.

The same information also goes to the Corvette Business Segment in Clinton, which cuts leads to match the sequential build plan.

Dept. 2409 ships build kits to the integrated supplier in portable racks containing 49 tubes. Tubes are marked for a particular part and arranged to match the build sequence. When racks arrive at the assembler's location, operators roll them out to the floor, select one part at a time as they build harnesses, then ship the empty rack back to Plant 24.

Coordinating Corvette's platform build sequences with Dept. 2409's output of cut leads would be difficult without computer help. Industrial Engineering Technician Guy Barbee developed a program that merges Corvette's weekly sequence sheet with Packard's traditional build plan based on warehouse requirements.

Barbee's program — along with Terry Stathan's cutter loading and sequencing plan — resulted in a document that tells each of the department's 10 cutters which leads are needed to match the build sequence.

Getting it right the first time, every time, is not just a slogan for Dept. 2409. "Bowling Green carries no safety stock," stated Materials Management General Supervisor Steve Mehalic, "so there is no room for error."

The establishment of the business segment module has already shown production results, according to Manufacturing Supervisor Johnny McQueen.

"We saw an improvement in quality, a decrease in transportation costs, a reduction in waste and improved communication," McQueen noted.

"We believe the Corvette Business Segment will usher in a new era in management strategy," said Butkowski. "We have dedicated team members from top to bottom who understand the need for, and are capable of meeting or exceeding our competitiveness goals."

—Danny Greene



Operator Brenda Tyler assembles a low-volume Valet Mode Jumper, a specialty harness consisting of four leads, two connectors and a secondary lock.

CLOSING THE GAP

Adding locals to Packard's payroll at international sites keeps the division in touch with the customers' culture

“When in Rome, do as the Romans do.” When that proverb was coined centuries ago, it was intended for those within walking distance of Rome. Today, Packard Electric has adapted the axiom as a way to integrate its U.S.-based operations with international sites.

One of the ways Packard applies this wisdom is by hiring locals to bridge the culture gaps.

For example, Application Engineer Toru Tagami has several roles besides engineering support; he is also a liaison, a salesman, a translator and a sociologist.

Tagami is a new employee based in Packard International's 3-year-old Japan Branch Office in Tokyo. He provides engineering support for Toyota and coordinates efforts between Toyota-Japan and Packard Electric North America.

Because of his unique position as the Japanese representative of an American company to its Japanese customers, Tagami faces several obstacles in his daily duties.

“When I talk with Packard's Japanese customers, I have to be Japanese,” Tagami explains. “But when I talk with my boss, I should be American. Switching the different personalities is tough for me.”

Another concern for Tagami is explaining his Japanese customers' perspective to their American suppliers. Most Americans find it difficult to understand why a product's appearance is so important to a Japanese customer.

“In Japan, if our customer sees a scratched surface or flash on a connector, he classifies it as a defect and rejects the part because it doesn't look good,” Tagami states. “Americans say that cosmetic appearance doesn't matter because the part works. Each side is so busy explaining its own viewpoint that it can't see the other.”

“The surface of American-made



KYOKO WEAN

This is the symbol for *kaizen*, Japanese for “continuous improvement.”



TINA LIST

connectors usually isn't smooth enough for the Japanese. While the connector is functional, Japanese customers consider appearance part of the quality. If the surface is good, it means they can trust what's inside the component. They care how everything looks.”

Point of reference

“My biggest challenge is to help Packard understand that Japanese philosophy,” he comments. “Packard doesn't need to borrow the Japanese way, but we can create a new philosophy between the Japanese and the American ways of thinking — because they both have good points.”

Tagami suggests that Packard use feedback from its Japanese customers as a method of *kaizen* — or “continuous improvement” — and share this feedback with operations around the world.

“Because they notice even the smallest point, the Japanese are good at improving the quality of very small parts. Packard can use its Japanese customers as a ‘barometer’ before we put a part on the American market.”

Tagami sees the creativity of its designs as one of Packard's major strengths.

“The components Packard designs are unique. But at the manufacturing stage, the Japanese concept can help Packard make a better product.”

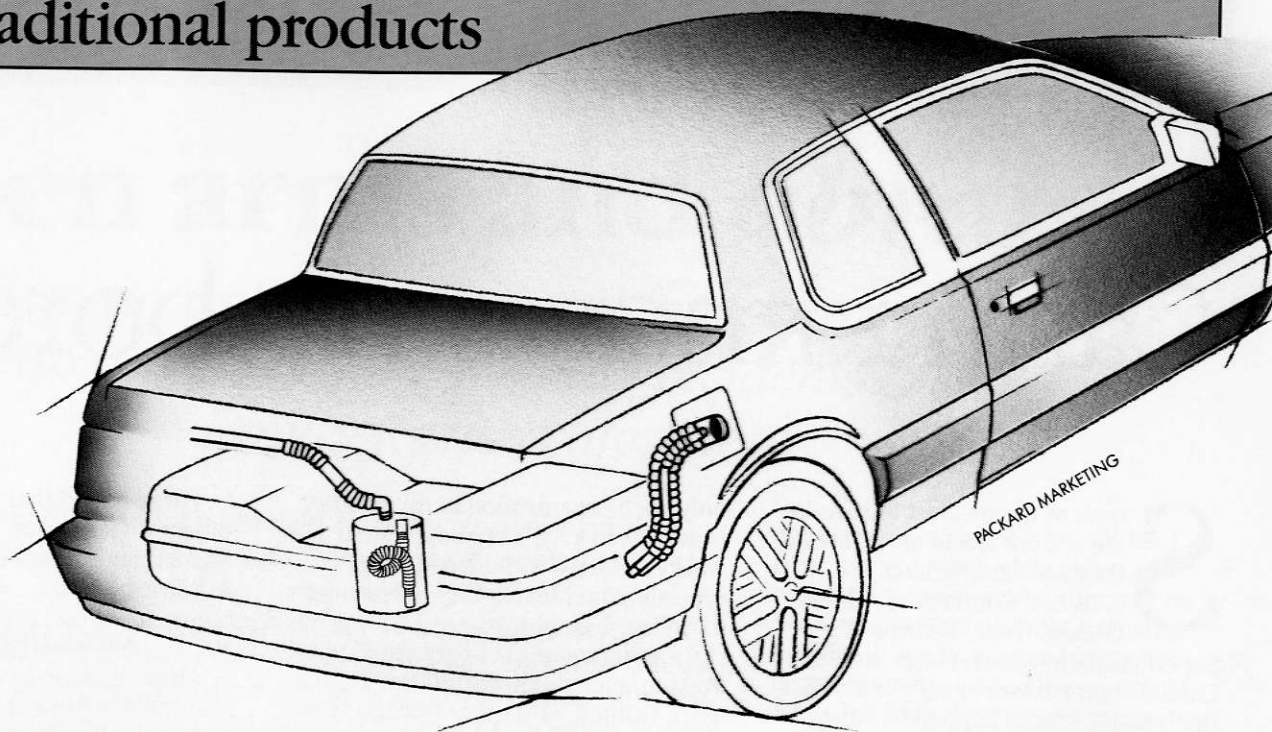
He also believes Packard can improve its response time. Tagami says Packard's Asian customers sometimes complain because it takes too long to obtain an answer.

In short, Tagami's key function is understanding: a better understanding for Packard about its Japanese customers and those customers' better understanding of Packard.

“When in Tokyo. . .”

—Tina List

Non-traditional products



Conduit's flexible advantage

New applications
expand one of Packard's
traditional product lines

Non-traditional products of the Divisional Conduit Operations blend product and process engineering efforts.

These products include:

- Internal fuel tubes — They are now in production in Plant 17 in Warren, Ohio. By 1994, Packard will have full corporate volume.
- Fuel tank fillers and vent hoses — Lamborghini asked Packard to design them and awarded the division the business.
- Engine air induction systems — Packard is developing prototypes for AC Rochester.
- External fuel lines — Corvette asked Packard to submit examples of armored external fuel lines.

"Our success was a result of the cooperative process and product

developmental efforts between Packard and the customer. This combined teamwork initiated the non-traditional applications of convoluted conduit," said Bob Brocius, supervisor of Engineering Services, Divisional Conduit Operations. "It wasn't that we had a product and were trying to figure out how to produce it, nor did we have a process and were looking for a product."

The request for non-traditional products started in 1988 when AC Rochester was working on the new '92 modular fuel pump. They needed a tube which was flexible, yet able to maintain its hollow shape. Bob Beer, who was Packard's resident engineer at AC Rochester, suggested they use a modified version of Packard's standard convoluted conduit produced in Ohio's Plant 17.

Process Engineer Ron Hoffman said, "To meet the requests for non-traditional applications, we took basic convoluted conduit technology and improved the process."

"At the same time," explained Sam Griffith, product engineer, "new product concepts were initiated that would bridge the gap between meeting the customer's requirements and the manufacturing capability of the process."

After seeing the internal fuel tube, other Packard customers became interested in similar applications, such as the external fuel lines.

Other applications for convoluted conduit could develop in the future, such as hoses, exhaust pipes and various cuffed hoses for the marine industry.

—Sharon Roncone

Fondo Unido

Caring knows no borders

Some of the greatest lessons in life are not found in textbooks; they are experienced.

When Conductores Center (Mexico West) Personnel Superintendent Ruben Parga visited a Ciudad Juarez social agency last year, that's exactly what happened. Images of the handicapped and disadvantaged children Parga saw there will remain with him forever.

"I cannot describe what I saw on that visit," Parga recalled. "The needs of the children and elderly are so great in my country."

That visit inspired Parga to volunteer to serve as chairman for the first United Fund (United Way) effort in Mexico outside that nation's capital.

Packard's Mexico West Operations has created a pilot *Fondo Unido* program. It will serve as a model for others in this country of more than 80 million, and will be turned over to local community leaders. Packard's Mexico West Operations' employees will set the example — a benchmark — for social reinvestment into their own communities.

Employee support of United Way has become part of the Packard culture in Ohio and Mississippi. Packard employees who transferred to Mexico West brought along the spirit of sharing with the less fortunate in the community.

"Lee Crawford, Mexico West director, asked us to explore the possibility of organizing a United Fund. The

only such organization in my country is in Mexico City," Parga explained. He worked closely with United Fund officials from Mexico City to learn how to initiate a campaign.

Leading a group of Packard Mexico West management volunteers, Parga's team worked with other Mexico West employees and representatives from cities where Packard has plants. Together they identified agencies for United Fund support.

"Our contributions will help support 13 agencies in Ciudad Juarez; 12 in Chihuahua City; 11 in the Delicias/Moqui area; 13 in Cuauhtemoc, and one in Nuevo Casas Grandes," Parga noted.

Those contributions will be significant. "We project pledges from our people to exceed \$90,000 this year alone. More than 90 percent of the 900 eligible salaried employees immediately signed up."

Parga added that Mexico West officials have begun to explore ways to include hourly and technical employees in United Fund.

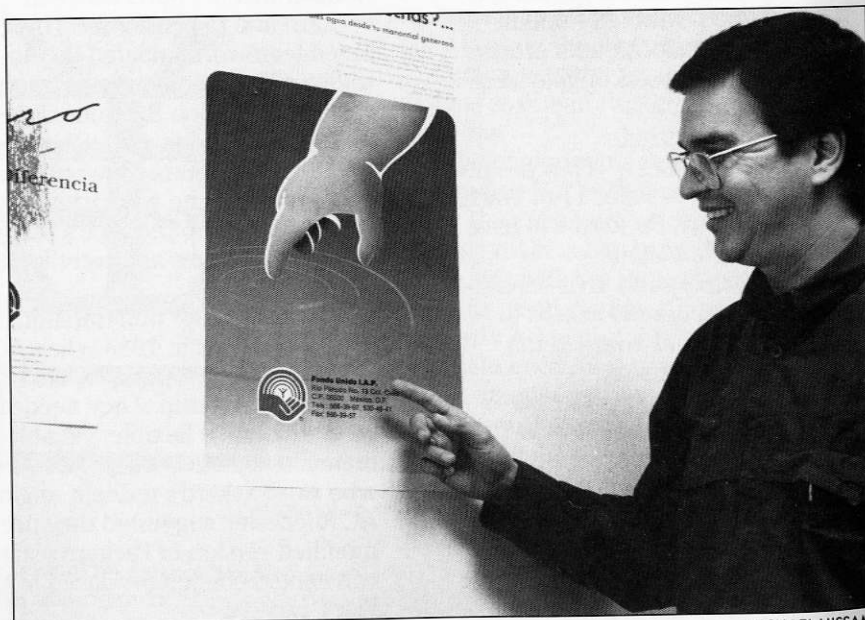
Looking Ahead

"Now that we have United Fund committees in each plant, we hope to take our experience into other GM plants in Mexico as they join United Fund," Parga stated.

He noted that Packard's Mexico West United Fund effort has gained important support in this state: "I have made presentations about United Fund to the bishop of Juarez and to officials in Chihuahua. They have offered excellent support. But they also spoke quickly of social problems that can be addressed through the work of United Fund. What really meant much to them was that all United Fund proceeds go back into the community."

—Michael Hissam

Ruben Parga, *Fondo Unido* (United Way) chairman, explains the challenges of being the first chairman for a fund drive outside of Mexico's capital.



MICHAEL HISSAM

'Open arms and *abrazos*'

Laredo welcomes Packard 'new-comers' with its rich history, friendly residents and family-focused lifestyle

In the 236 years since a ranch foreman settled a piece of land along the Rio Grande River, Laredo, Texas, has grown up looking at seven different flags.

By reading the local history, it is easy to sense some sort of special pride — possibly a yearning — for the Republic of the Rio Grande, for which Laredo served as capital for one year in 1840. Local historians also write of a river "that divides and unites," and of a town being "fought over by two countries."

¿Habla espanol? It's language *numero uno* in this city of 130,000.

The next footnote in Laredo history could well reflect the participation and leadership by General Motors and Packard people and their families. Rosters of business, civic and charitable organizations many times double as a quick read of who went to Laredo as Packard started and grew with its Mexico East Operations.

Packard's investment goes beyond the financial; "GM Proud" and "Laredo Proud" have formed the nucleus of an attitude that borders on fervor. Many employees and family members use two hands to count the organizations to which they belong; sometimes they need to borrow a few extra fingers.

Most Packard people in Mexico East and Laredo speak of a family-oriented culture. They speak of being welcomed with open arms into their new community.

In this feature, the focus is on two employees and the wife of a third. Their stories describe how each embraced a community.

Audrey Mizicko lived all her life in Trumbull County, Ohio. Since moving, she is making a difference in Webb County, Texas.

"Greetings here come from the heart. People were so friendly when I arrived, literally with open arms and an *abrazo* (hug)," she fondly recalled.

That *bienvenida* (welcome) apparently turned introspection into action for the audit general supervisor. "I don't think I'd be where I am today if someone didn't help me — maybe it was a special guardian angel. My subconscious says, 'Give something back!'"

Wanting to make a difference, Mizicko detected an intangible: "I saw

an opportunity for leadership in Laredo. We tend to take for granted the organizational, planning and follow-through skills we use daily at Packard. These civic groups in Laredo have a great deal of knowledge; my learning from them and, in return, offering my skills, has made a great team. Our Mexico East Director, Tom Tomko, has been very supportive and encouraging to me to become involved."

Lessons and compassion learned as the mother of six children moved her toward several organizations focused on the young. Organizations dealing with the trauma of child abuse and neglect, Junior Achievement and

human services top the list. "What I have learned about child abuse and neglect across the country appalls me. We are zeroing in on what we can do to help. When I go into a high school classroom here, I do so knowing that Texas has high dropout and pregnancy rates. If I can make a difference by convincing young people to stay in school, that's a special reward to me.

"As a woman, I also see many young girls not recognizing that there are other options in life."

She went on to note that the poverty level is high in south Texas. "There can be a difference when social programs grow and become more effective."

As a mother, Mizicko promoted self-sufficiency among her children. "I now see a need to balance that with the closer family ties that exist here. I look at young people who could have the advantages that life offers."

Mizicko is the Laredo area recipient of the 1990 General Motors Citizenship Award. Her interest in 1991 remains more on giving.

"Receiving just happens. I know that as a volunteer you get so much more in return than what you give. To make a difference in someone's life is what really matters."

(Continued on next page)



Mexico East, continued

When Packard's **Terry Priestap**, his wife, Joan, and their three children made the move to Laredo three years ago, they didn't count themselves in the ranks of the "joiners."

Laredo's openness, acceptance and family orientation changed that for the Priestap family. "They made us feel so much a part of the community, we got caught up. The personal warmth here got us over the hump quickly when it came to adjusting to a new town and culture."

Priestap, materials superintendent for the Mexico Central startup team, is more proud of what joining means to his children. "They are involved in theater here; I doubt that would have happened elsewhere. One daughter is president of Student Council; another daughter is in Future Farmers and is raising a goat. Our son is involved in

sports. The family orientation here really makes a difference."

While his children may belong to the "haves," Priestap prefers to work with service organizations helping the "have nots."

He explained: "I see here many young people who have potential. I am most gratified when I work with them and they stay in school and go on to college. My own children might not be eligible for educational grants, but when I help other children gain them — that's a special feeling."

Priestap pointed out that Mexico East Director Tom Tomko offers the support and encouragement to balance the often trying efforts of working within a new community and culture. "He helped us realize that it is also our job to give back to the community."

A special attraction of Laredo may well drive another activity for Priestap. "Laredo is history-rich. As I learned this history and have seen it through architecture showing life under the seven flags, I want to do something to preserve it."

That history also changes with time. "We are moving toward a new infrastructure here," Priestap explained. "To help us achieve that, we need qualified, educated young people. There's no doubt in my mind that participation in service organizations helps. There's something special here."



What difference can 150 people make in a city of 130,000?

Debbie Cavanaugh prefers the term "obvious impact" when she speaks of results of Packard family involvement in Laredo and Webb County, Texas.

"I was the first 'Packard wife' to move to Laredo. The welcome with open arms led to new friendships. People here liked our ideas. We were invited to join and they appreciate us," said Cavanaugh, a medical audit manager and wife of Ken Cavanaugh, Production and Material Control superintendent, Mexico East.

"Through this involvement, I have the opportunity to prove to myself what I can do. I find I am working in organizations with the 'movers and shakers,' and discovering I can help get a lot done. I'm also learning how to manage time. Personal growth is a motivating factor."

One Laredo effort that is special to Cavanaugh is the soon-to-open Children's Museum, for which she is a board member.

"We're going to feature 'hands-on' children's activities, where they can use all five senses to make learning fun. The museum will also bring out the child in all of us."

"There will be a 9-foot doll teaching about health and digestion. We'll work with the schools; it will be the only such museum within 150 miles."

"In fact, our goal is to outgrow our three buildings on the Laredo Junior College campus."

"See what happens when big kids get involved?" she quipped.



In addition, Cavanaugh will be showing another talent to her community. She plays M'Lynn Eaten-ton in the Laredo Little Theater's production of "Steel Magnolias" in April.

She also takes the initiative in welcoming the new and keeping together the veteran members of Packard's Laredo family. "I cook spaghetti dinners for as many as 30 Packard people on the weekends. They have become sort of a surrogate family. For me, a new family has formed from within Packard."

And who does that family call when they need a nurse? "Being a nurse, I get the 'What do I do?' calls from other Packard people when someone is sick or hurt. I help them whenever I can."

But the day-to-day chats with the "family" focus on civic involvement and activities. "From a Packard wife's point of view, there's no doubt we're making a difference here. I'm proud to say I'm a 'Packard wife!'"

—Michael Hissam

High caliber harnesses earn honor from Ford

Late last year, Packard Electric Europe officials and members of the Ford harness production group gathered in Reinshagen to celebrate their achievement: being honored with Ford Motor Company's Q1 award. The Q1 is Ford's recognition of excellence and quality for both internal and external suppliers.

According to **Quality News**, Packard Electric Europe's quality newsletter, Ford will discontinue contracts with all suppliers who haven't earned its Q1 award, beginning in 1993. Receiving the award in 1990 puts Packard in an enviable position.

"With the Q1 award, we have shown that Reinshagen can fulfill the expectations of the Ford standard," **Quality News** reported. "In the future, Ford intends to involve qualified suppliers in development and production planning at an early stage. This requires deep confidence, which we must earn day-by-day through first-class quality performances."

The newsletter added that Ford is using the same standard for its own plants. Ford's factory in Saarlouis, Germany — which is supplied by Packard Electric Europe's Lebach, Germany, plant — is the second of Ford's 20 European facilities to receive the Q1.

Ford Q1



NUMMI

New United Motor Manufacturing, Inc. (NUMMI) has presented its Partnership Award to Packard International employees for the second consecutive year.

The division was one of 27 productive material suppliers NUMMI recognized at a recent ceremony at its Fremont, California, facility.

NUMMI awards this honor to suppliers that have achieved superior performance during the year in cost, quality, delivery, communication and human resources.

Lamborghini

Packard International and Packard Electric Europe were awarded Vehma International's complete wiring harness business for the Lamborghini UE-94. The vehicle is Lamborghini's successor to the Diablo.

This is Packard's first Lamborghini business; Packard International and Packard Europe are teaming to provide the harnesses

and services required by Lamborghini. Packard International is establishing a resident engineer at Vehma's facilities in Toronto.

Vehma International is the assembly division of Magna International, which is designing the vehicle for Lamborghini.

Navajo Packard Electric

Ground breaking for an electronics plant in the New Lands, south of Sanders, Arizona, took place in early March. The plant is an addition to facilities operated by Navajo Packard Electric (NPE), which is part of the Specialty Products Business Unit.

The 30,000-square-foot facility is scheduled to open later this year and will employ Navajos from surrounding communities to produce a variety of electronic modules. In the initial stages, most of the modules will be automotive-related for General Motors, according to Bill Collins, manager, Specialty Products.

Collins added that the new plant is significant for NPE because it is "reflective of the

amount of growth the operation has experienced in three years."

Describing the event, Carl Kunasek, commissioner of the Office of Navajo and Hopi Indian Relocation, said, "The project provides an opportunity for a major American industry to utilize the special talents and abilities of the Navajo people. This will initiate a new era for the New Lands."

EC '92

According to the **GM Newswire**, the European automotive components industry is "lagging substantially" behind Japan's components suppliers in both efficiency and productivity.

A report prepared for the European Commission said EC efficiency and productivity are not improving fast enough to match Japanese competitors. "The gap is significant and needs to be closed," the report stated.

The report also said that the relationship between vehicle assemblers and their components suppliers must change, and the number of suppliers needs to be reduced.

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