



2002 Media Guide

Welcome to the 2002 Ford of Canada Media Guide. The following pages contain useful information about our company, its people and products. This guide is being published in advance of 2002 labour contract negotiations with a goal of providing the latest background and contact information for reporters covering this event. We hope the content is beneficial.

Ford of Canada
Public Affairs Dept.
905-845-2511, ext. 1316

*1st Edition
May 2002*

Table of Contents

FORD OF CANADA - OVERVIEW

Company Profile.....	1
Plant Profiles.....	2
Alain Batty, President and CEO – Biography.....	9
Tim P. Hartmann, Vice President, Human Resources – Biography.....	11

FORD OF CANADA - LABOUR RELATIONS

Excerpts from the 1999 Ford/CAW Agreements.....	12
The Negotiations Team.....	17

FORD OF CANADA - SALES

2001 Sales Results.....	18
2001 Earnings Results (Plus Investments, Production etc.)....	21

FORD MOTOR COMPANY'S REVITALIZATION PLAN

News Release.....	23
Slides.....	27

MEDIA CONTACT INFORMATION.....	28
---------------------------------------	-----------

Company Profile

Ford Motor Company of Canada, Limited was founded by a group of Canadian entrepreneurs, led by Gordon McGregor of Walkerville (now Windsor), Ont., who established a partnership with a young Henry Ford in 1904.

Last year, revenues for Canadian operations were \$21.6 billion, making Ford of Canada one of the country's largest privately held companies. Since 1990, Ford has invested nearly \$9 billion in its Canadian operations. Ford of Canada is a wholly owned subsidiary of Ford Motor Company of Dearborn, Michigan

Today, Ford of Canada's operations include a national headquarters, six regional offices, six vehicle assembly and engine manufacturing plants, two parts distribution centres, and affiliates including Ford Credit, Jaguar, Volvo, Land Rover and Hertz. Ford is also a joint-venture partner in two Canadian-based plants that produce aluminum engine castings. In all, these operations employ 14,000 hourly and 2,000 salaried men and women. In addition, over 21,000 Canadians are employed in the 515 Ford and Ford-Lincoln dealerships located in all provinces and two territories.

On August 17, 2004 Ford of Canada will celebrate its 100th anniversary.

Plant Profiles

OAKVILLE ASSEMBLY PLANT

Located in Oakville, Ont., near Toronto, Ford's Oakville Assembly Plant (OAP) is a two-shift operation that employs 3,300 people. OAP has the worldwide mandate to build the Ford Windstar minivan. In 2001, OAP produced 206,000 vehicles to add to its historical production of over eight million vehicles since it opened in 1953.

OAP's first vehicles were the Ford Meteor and Mercury Monarch cars. Since then, it has produced such nameplates as Torino, Falcon, Maverick, Econoline, Escort, Crown Victoria, Tempo and Topaz. Currently, the plant produces Ford Windstar minivans that are exported to some 32 countries around the world.

- OAP sits on 195 hectares (487 acres) and the buildings themselves total 347,000 m² (3.8 million ft²). OAP houses a body shop, paint facility and an assembly line.
- The assembly line totals 45 km (28 miles) and includes 440 robots. It produces 65 units per hour. It takes the average vehicle 25 hours to go through the entire assembly process.
- OAP operates on 2 shifts, each of which runs 8, 9 or 10 hours a day.
- OAP produced its 2 millionth Ford Windstar on December 6, 2001.
- The plant employs over 3,300 people, the majority of whom are hourly employees who work on vehicle assembly.
- OAP, like all Ford facilities, is certified to the ISO 9001 standard for quality and was the first assembly plant in North America certified to ISO 14001 for environmental efficiency.

05/02

Plant Profiles

ONTARIO TRUCK PLANT

Located in Oakville, Ont., near Toronto, Ontario Truck Plant (OTP) opened in 1965 and has produced F-Series pickup trucks ever since. Currently, OTP produces F-150, SVT Lightning, F-150 bi-fuel and F-150 natural gas pickups. The vehicles are sold in Canada and exported to the United States, plus various countries in Europe and the Middle East.

On January 11, 2002, Ford Motor Company announced a restructuring of North American operations whereby seven plants would close or for which no new products had been identified. Five of these plants are located in the United States, one in Mexico and, in Canada, the Ontario Truck Plant is planned for closure between Q4 2003 and Q1 2004.

- OTP sits on 38 hectares (94 acres) and the buildings themselves total 271,000 m² (3.0 million ft²). OTP houses a body shop, paint facility and an assembly line.
- The assembly line totals 16 km (10 miles) and includes 218 robots. It produces 53 units per hour. It takes the average vehicle 20 hours to go through the entire assembly process.
- OTP operates on one shift of 8, 9, or 10 hours a day, Monday to Friday.
- Last year, OTP produced approximately 93,000 vehicles, and it has produced over 4 million since it opened in 1965.
- The plant employs 1,500 people, the majority of whom are hourly employees who work on vehicle assembly.
- OTP, like all Ford facilities, is certified to the ISO 9001 standard for quality and ISO 14001 for environmental efficiency.
- OTP is one of four plants to produce Ford F-150 in North America. The others are Kansas City (Missouri), Norfolk (Virginia) and Cuautitlan (Mexico).

05/02

Plant Profiles

ST. THOMAS ASSEMBLY PLANT

Located near London, Ont., St. Thomas Assembly Plant is a two-shift operation that employs 2,800 people. STAP has the worldwide mandate to build Ford Crown Victoria and Mercury Grand Marquis sedans and, in May 2002, added the new Mercury Marauder to its line-up.

When it opened in 1967, STAP produced the Ford Falcon, followed by the Maverick, Pinto, Fairmont, Zephyr, EXP, LN7, Escort and Lynx. Since 1984, STAP has been the worldwide source of Ford Crown Victoria, stretched Crown Victoria, CNG Crown Victoria and Mercury Grand Marquis luxury sedans. The vehicles are sold in Canada but a full 93 percent are exported, primarily to the United States but also other nations particularly in the Middle East.

- STAP sits on 26 hectares (64 acres) and the buildings themselves total 243,000 m² (2.6 million ft²). STAP houses a body shop, paint facility and an assembly line.
- The assembly line totals 19 km (12 miles) and produces 63 units per hour or approximately 1,000 per day. It takes the average vehicle 27 hours to go through the entire assembly process.
- STAP began as a one-shift operation in 1967; the second shift was added in 1969 and, to this day, STAP continues as a two-shift operation, Monday to Friday.
- Last year, STAP produced 202,000 vehicles, and it has produced over 7 million since it opened in 1967.
- The majority of STAP's 2,800 employees work on vehicle assembly.
- STAP, like all Ford facilities, is certified to the ISO 9001 standard for quality and ISO 14001 for environmental efficiency.
- Since 1994, STAP has won three environmental awards, two quality awards and two business achievement awards.

05/02

Plant Profiles

WINDSOR ENGINE PLANT

Located in Ford of Canada's birthplace of Windsor, Ont., Windsor Engine Plant (WEP) opened in 1923 for vehicle assembly, engine manufacturing and body stampings. When vehicle assembly was moved to Oakville, Ont. in 1952, WEP continued to produce engines. The plant tripled in size when, from 1990 to 1992 it was completely rebuilt. Today, the 189,000 m² (2.1 million ft²) facility is one of Windsor's biggest employers with 2,400 hourly and salaried employees.

WEP assembles the Ford Triton family of 4.6-litre and 5.4-litre V-8, and 6.8-litre V-10 engines; it also machines various engine components including cylinder blocks, cylinder heads, camshafts, crankshafts and connecting rods.

WEP engines are shipped to seven Ford assembly plants across North America for installation in such vehicles as Expedition and Excursion sport utilities, F-Series and F-Super Duty pickup trucks, Econoline vans and motorhomes.

- WEP sits on 16 hectares (39 acres) and the building itself totals 108,000 m² (1.2 million ft²). The adjacent WEP Annex building is currently being expanded to be more than double its size. When the expansion is completed in 2003, the Annex will measure 82,800 m² (920,000 ft²) and bring the entire WEP complex to over 190,000 m² (2.1 million ft²).
- WEP employs 2,400 men and women, the majority of whom are hourly employees who work on engine assembly and machining. WEP is a 24/5 facility, operating on three shifts from Monday to Friday, and produces approximately 3,100 engines each day.
- WEP, like all Ford facilities, is certified to the ISO 9001 standard for quality and ISO 14001 for environmental efficiency. It won the prestigious Shingo Award for excellence in manufacturing in 2000.

05/02

Plant Profiles

ESSEX ENGINE PLANT

Located in Windsor, Ont., Ford's Essex Engine Plant (EEP) opened in 1981. It produces the 3.8L V-6 engine for the Ford Windstar and Mustang, as well as the 4.2L V-6 engine for the Ford F-150 pickup and the Econoline Van and Clubwagon. Since September 2001, EEP has also been producing V-8 crankshafts for the Triton 5.4L V-8 and 6.8L V-10 engines.

- EEP employs 1,800 men and women.
- EEP sits on 104 hectares (260 acres) and the plant itself totals 171,000 m² (1.9 million ft²).
- Last year, produced 479,000 engines. On average, the plant produces 2,650 engines per day and over 8 million units since it opened in 1981.
- EEP, like all Ford facilities, is certified to the ISO 9001 standard for quality and ISO 14001 for environmental efficiency.
- EEP was the first engine plant certified Q1 in 1998. It won the prestigious Shingo Award for Excellence in Manufacturing in 2001.
- EEP supplies Ford plants in the U.S. (Dearborn, Norfolk, Lorain, Kansas City, Romeo), Canada (Oakville, Windsor), Mexico (Cuautitlan), Venezuela and Brazil.

05/02

Plant Profiles

WINDSOR CASTING PLANT

Located in Windsor, Ont., Ford's Windsor Casting Plant (WCP) opened in 1934. It produces cylinder blocks and crankshafts for the F-Series, Mustang, Taurus/Sable, Windstar, Ranger, Navigator, Town Car, Econoline and Crown Victoria/Grand Marquis.

- WCP employs 1,100 men and women, among them 1,000 hourly and 100 salaried.
- WCP sits on 8.9 hectares (22 acres) and the plant itself totals 743m² (8250 ft²). The latest addition to the plant was a warehouse in 1996.
- It takes an engine block 24 hours to go through the casting process at WCP. The plant produces 454-499 tonnes (500-550 net tons) of blocks and crankshafts each day.
- Last year, WCP produced 92,100 tonnes (101,580 net tons) of blocks and crankshafts.
- WCP, like all Ford facilities, is certified to the ISO 9001 standard for quality and ISO 14001 for environmental efficiency.
- WCP supplies Ford plants in the U.S. (Cleveland, Romeo, Lima) and Canada (Windsor).

02/02

Plant Profiles

NEMAK OF CANADA CORPORATION

Nemak, of Monterrey, Mexico, was created as a joint venture between Alfa Corporation and Ford Motor Company in 1980. In 2001, Nemak assumed ownership and operational control of Windsor Aluminum Plant, Essex Aluminum Plant and a Research and Development facility from Ford, to form Nemak of Canada Corporation.

Nemak of Canada is expanding the Windsor Aluminum Plant beginning in April, 2002 by a further 9,900 m² (110,000 ft²), to meet demand for its cast aluminum cylinder blocks. The plant employs 500 hourly and 125 salaried people and was built in 1989.

The Essex Aluminum Plant in Windsor employs 785 hourly and 75 salaried people and was opened in 1981. It produces cylinder heads and was producing pistons, until they were discontinued in November of 2001.

Biography



ALAIN BATTY

Alain Batty became president and CEO of Ford Motor Company of Canada, Limited in April 2001.

Before taking on this new position in Canada, Batty was president of Ford Russia and the Commonwealth of Independent States (CIS). There since 1998, he led the establishment of Ford's commercial and manufacturing operations, including the launch of a US\$150 million Ford Focus assembly plant outside of St. Petersburg slated

to assemble its first vehicles beginning this spring. With this project moving ahead, Ford will have the first vehicle assembly plant of any major global automaker in Russia.

Prior to his assignment in Russia and the CIS, Batty served in a number of key marketing and sales functions, including general sales manager in France, where he started his Ford career 24 years ago in 1977. He also served as managing director of Ford operations in Spain, Portugal, Belgium and Luxembourg from 1992 to 1995. During his time in Spain, Ford became the country's top automotive brand.

In 1995 Batty was appointed executive director of Ford's large, 14-nation Asia-Pacific and New Markets region. Under his leadership, operations in Taiwan, New Zealand and Australia achieved record profits. He oversaw the creation of an integrated service, sales and marketing organization within the region, and successfully merged Ford's operations in New Zealand and Australia.

A French national, Batty has a strong international background, having lived, worked and studied in Africa, Asia-Pacific, Europe, Canada, the U.S. and Russia. He is fluent in English, French and Spanish.

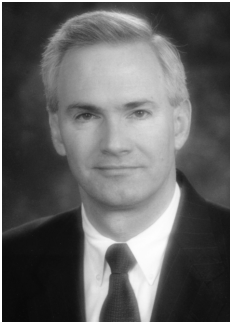
In addition to his role as the president and CEO of Ford of Canada, Batty serves as a member of Ford's Global Executive Diversity Council and as a board member of the Canadian Vehicle Manufacturers' Association. He is also a member of the Canadian Council of Chief Executives and the U.S.-Russian Business Council. He serves on the Catalyst advisory board in Toronto.

Reaching beyond the business world, Batty has quickly become involved in the community and in national causes in Canada. He is continuing Ford's active legacy of involvement with the Canadian Breast Cancer Foundation and was among 5,700 Ford and Ford dealership employees who participated in the annual CIBC Run for the Cure in September. He was a co-chair of the November 2001 Honouree of the Year Dinner for Canada's Juvenile Diabetes Research Foundation (JDRF), and walked with hundreds of Ford Windsor employees to help raise funds for JDRF in June. Batty also enjoys speaking to students about Ford and the environment.

Before embarking on a career in the auto industry, Batty lived and studied in Montreal. There, he earned a bachelor's degree in administration at the École des Hautes études Commerciales de Montreal, one of the Canada's leading business schools, where he now serves on the international advisory board. In Montreal, he worked briefly with a government agency and met his future wife, Canadian-born Ginette Audet, whose family resides in northern Quebec. He also holds a D.E.A. (the French equivalent of a doctorate) in strategic planning from I.A.E. University of Aix-en-Provence, France. Batty did his doctoral thesis program under the supervision of Henry Mintzberg, professor of Management Studies at McGill University in Montreal.

Batty, 50, is married and the father of two young children.

Biography



TIM P. HARTMANN

Tim Hartmann was appointed Vice President, Human Resources, Ford Motor Company of Canada, Limited in January 2000.

A native of Detroit, Michigan, Hartmann joined Ford Motor Company in 1977 after obtaining a master's degree in public administration from Syracuse University, Syracuse, N.Y.

Hartmann held a number of Personnel and Labour Relations positions at the company's: Buffalo Stamping Plant; Kansas City Assembly Plant; and Walton Hills Stamping Plant from 1977 to 1987.

From 1987 through 1990 Hartmann held positions within Employee Relations Corporate Staff, Ford U.S.; Ford Parts and Service Division; and Finance Corporate Staff, Ford U.S. In 1990, he moved to a division Labour Relations assignment in Vehicle Operations and in 1992 he was appointed Employee Relations Manager, Wixom Assembly Plant. During the period February 1995 through December 1996, Hartman held management positions within the Corporate Finance and Corporate Human Resources Organization and Personnel Planning activities before moving into Powertrain Operations. He was appointed Labour Relations & Safety Manager in Powertrain Operations in December 1996 and Manager, Human Resources Business Operations, Powertrain Operations in October 1998.

Hartmann, 47, his wife and their two children live in Mississauga, Ont.

Excerpts from the 1999 Ford/CAW Agreements

DURATION:

- Three years, expiring at 11:59 p.m., September 17, 2002.

WAGE INCREASES:

- 3% increase in base rate effective the beginning of the first pay period following receipt of notice of ratification.
- \$1,000 signing bonus.
- 2nd year - 3% increase in base rate.
- 3rd year - 3% increase in base rate.

SPECIAL PAYMENT:

- Employees who are eligible for vacation with pay received a Special Payment of \$1200 in 2000, 2001, and 2002.

PAID TIME OFF:

- The company continued to provide the same holidays as in the past Collective Agreement, i.e., Good Friday, the Monday after Easter, the Friday before Victoria Day, Victoria Day, Canada Day, Civic Holiday, the Friday before Labour Day, Labour Day, and Thanksgiving Day.
- In addition, the company continued the unbroken holiday period between Christmas Day and New Year's Day. There was a total of 46 paid holidays during the new Collective Agreement.

VACATION PAY:

- The scheduled paid absence schedule was amended to provide six weeks during the January, 2000 to December, 2002 period.

JOB AND INCOME SECURITY:

- The retirement allowance option under the Job and Income Security Program was increased from \$42,500 to \$50,000.

CAW PAID EDUCATIONAL LEAVE:

- Funding for the Paid Educational Leave Program was continued.

CHILDCARE:

- The Child Care Program was amended to provide an annual subsidy of \$10 per full day or \$5 per half day, for eligible employees with children enrolled in a registered childcare facility. The annual maximum became \$2,000 per year, per eligible child.

LEGAL SERVICES:

- Contributions at \$0.13 per straight-time hour worked were continued. In the event additional funding was required, the Special Contingency Fund continued to be utilized.
- The CAW Legal Services Plan fee schedule was amended to reflect changes made during the term of the 1996 Collective Agreement effective January 1, 2000.

SAME SEX SPOUSAL BENEFITS:

- The Group Life and Disability Plan, Health Care Programs, and the

Retirement Pension Plans were amended to provide for same sex spousal benefits.

GROUP LIFE & DISABILITY INSURANCE PROGRAM:

- The current Group Life & Disability Insurance Program was continued. The tables were adjusted to reflect the wage increases.

HEALTH CARE:

- The current health care programs were continued.

SUPPLEMENTAL UNEMPLOYMENT BENEFIT PLAN:

- Several improvements were made to this plan.

PENSIONS:

Duration of Agreement

- Company proposed a 6-year pension agreement.

The company proposed to improve the Basic and 30 & Out Benefits which were reflected in the tables included in the offer. The table reflects an immediate increase for production workers of \$6.50 from \$48 to \$54.50 in the first year and \$1.10 increase in subsequent years commencing in October, 2000 which provides a \$60 Basic Benefit Rate in October, 2004.

Skilled trades employees received an increase of \$8.95 from \$52.25 to \$61.20 in the first year and an increase in each subsequent year commencing in October, 2000 which provided a \$70 Basic Benefit rate in October, 2004.

The 30 & Out Benefits payable to age 65 were set to provide a 30 year production or skilled trades employee with the equivalent of full OAS and CPP benefits. For production employees, this reflected an immediate increase from \$2500 per month to \$2800 per month effective October, 1999, increasing to \$3100 per month in October, 2004.

For skilled trades employees, this reflected an immediate increase from \$2655 per month to \$3000 per month effective October, 1999, increasing to \$3370 per month in October, 2004.

- Pre-1972 Survivors from \$8 per month per year of service to \$20 per month per year of service.
- Pre-1979 Retirees received an immediate \$7.20 per month per year of service and a PCOLA adjustment October 1, 1999. Future year adjustments were based on PCOLA at 90% of CPI.
- Retirees who retired after 1979 but before October 1, 1987 received an immediate adjustment of \$3.65 per month per year of service and a PCOLA adjustment October 1, 1999. Future adjustments were based on PCOLA at 90% of CPI.
- The October, 1987 to September, 1993 PCOLA group received an immediate one-time adjustment of \$2.24 per month per year of service in addition to the regularly scheduled PCOLA adjustment.
- There were three Special Early Retirement windows for employees who are at least fifty-five years of age with 80 points or more: one in 2000, one in 2002, and one in 2004. There was a limit of 100 per year.
- The Survivor Benefit was improved from 60% to 66 2/3% for future retirees. The reduction of 5% was applied to a spouse up to 10 years younger.
- Early retirement reduction tables for 60 & 10 were eliminated and for 30 & Out or 85 point retirees; the reduction tables were moved from 62 to 60. This means 85 point retiree benefits were re-stated at age 60, unreduced.

SKILLED TRADES:

- Apprenticeship Program
- Apprentices – 100 were to be added over the term of the Collective Agreement.

DEPENDENT CHILD - SCHOLARSHIP PROGRAM:

- A new scholarship program modeled after Ford U.S. was developed to provide an \$800 subsidy to dependent children of active employees attending an accredited Canadian university on a full-time basis.

BENEFITS:

- The Life and Disability Insurance Program was enhanced.
- Two additional schedules were added to Dependent Group Life Insurance and Optional Group Life Insurance.
- A generic drug program was introduced.
- Dental Program increased the annual maximum and the orthodontia lifetime maximum was also increased.
- Vision Program was modified to a flat fee structure.
- Hearing Aid Expense Program was expanded.
- Benefits covering chronic care were increased.
- Improvements were made in extended health care services for psychologists, in-home nursing and speech therapy.

Ford Negotiations Team

Tim P. Hartmann - Vice President, Human Resources

Michael J. Southon - Manager, Labour Affairs

Brad W. Droppo - Union Relations Manager

Bruce H. Waechter - Labour Affairs Planning Manager

Ron Suter - Personnel Services Manager

Paul R. Cameron - Treasury Operations Manager

Brian L. Warren - Human Resources Manager,
Windsor Site Operations

Doug J. Malloch - Human Resources Manager,
St. Thomas Assembly Plant

Sharon L. Norris - Human Resources Manager,
Oakville Assembly Plant

Duane C. Bear - Human Resources Manager,
Ontario Truck Plant

Gillian M. Cruji - Human Resources Manager,
Canadian Parts Distribution Centres

News Release

FORD SCORES THREE OF THE TOP 10 VEHICLES IN CANADA IN 2001

Ford of Canada December sales up 5% led by Explorer, Escape, Focus and Taurus

OAKVILLE, Ont., January 3, 2002 - Canadian consumers purchased 22,318 new Ford and Lincoln vehicles in December, a 4.6 per cent increase from the same month last year. Truck sales increased 7.7 per cent to 15,513 units while car sales were down slightly by 1.9 per cent to 6,805 units.

“We built momentum in the final months of 2001 with strong products in key market segments - compact and mid-size car, SUVs and pickups - preserving Ford’s title as the best-selling brand in Canada,” said Robert Girard, vice president of sales, Ford Motor Company of Canada, Limited. “We’ve worked hard with our dealers to offer the right mix of features and value to Canadian consumers. Staying tuned-in to our customers will drive sales growth in 2002.”

Ford of Canada rings in the New Year with three vehicles on Canada’s top-ten list in terms of sales — Ford Focus, Windstar and F-Series.

2001 Sales

Overall, Ford of Canada sales in 2001 totaled 251,684, an 11 per cent decrease compared to the previous year. Truck sales dropped 7.8 per cent to 169,094 units while car sales declined 17.2 per cent with a total of 82,590 units.

“Last year, we saw unprecedented competition in the small car market which accounts for more than half of all vehicle sales in Canada. We’re meeting this challenge and are now seeing Ford Focus sales grow with the introduction of the new ZX5 and the enhanced value of the wagon. In fact, Focus set a new December sales record last month.”

In truck sales in 2001, Ford dominated the sport-utility market capturing the two top spots in the segment. Explorer is Canada's top-selling SUV for the fifth consecutive year and Escape secured the #2 spot in the SUV segment in its first full year of sales. Overall, Ford and Lincoln SUV sales increased 20 per cent in 2001 compared to the previous year.

And, Ford F-Series remains the number-one selling pickup truck nameplate in Canada - a title it has held for 36 years.

December Highlights

- Ford Focus set a new December sales record with 3,739 units.
- Ford Explorer sales increased 18.3 per cent compared to last December.
- Ford Escape sales jumped 40.4 per cent over the same month in 2000.
- Ford Taurus sales climbed 7.3 per cent compared to the same month last year.
- Total Lincoln sales were up 25 per cent over the previous December.

2001 Highlights

- Ford Explorer is the best-selling SUV in Canada for the fifth consecutive year.
- Ford Escape captured the #2 spot in the Canadian SUV market.
- Ford F-Series is the top-selling pick-up truck nameplate again in 2001-its 36th year as number one.
- Total Ford and Lincoln SUV sales increased 20 per cent in 2001 compared to the previous year.
- Ford Ranger sales jumped 12.4 per cent compared to 2000 sales.
- Ford Econoline is the best-selling vehicle in Canada's small bus/van segment.

Ford Motor Company of Canada, Limited December 2001 and Calendar Year Vehicle Sales

TOTAL VEHICLES	2001	2000	% CHANGE
December	22,318	21,346	4.6%
January - December	251,684	283,042	-11.1%

TOTAL CARS	2001	2000	% CHANGE
December	6,805	6,937	-1.9%
January - December	82,590	99,738	-17.2%

TOTAL TRUCKS	2001	2000	% CHANGE
December	15,513	14,409	7.7%
January - December	169,094	183,304	-7.8%

Contact:
Lauren More
(905) 845-2511 ext. 1541
lmore@ford.com

News Release

FORD OF CANADA'S 2001 EARNINGS RESULTS

OAKVILLE, Ont., January 17, 2002 - Ford of Canada's sales revenues totaled \$21.6 billion (\$ Cdn.) in 2001, down 12 percent compared to \$24.6 billion in 2000.

The president and CEO of Ford of Canada, Alain Batty, acknowledged the challenges the company faced in 2001, but he sees Ford of Canada making solid gains in the marketplace in 2002, fueled by renewed investments and strong sales momentum.

"We worked hard in 2001 to put some key business fundamentals in place and it meant making some difficult decisions. While we'll continue to face challenges, the momentum at Ford of Canada is building," he said.

The company's 2001 operational highlights included:

INVESTMENTS

Significant investments in Canadian operations, including the opening of a new business support centre for Ford Credit in Edmonton. In Ontario, a \$150 million paint facility expansion at St. Thomas Assembly Plant; ground breaking for the company's all-new 16,650 m² (185,000 ft²) Canadian headquarters in Oakville, and in Windsor ongoing work toward the expansions of Windsor Engine and Essex Engine plants totaling 70,200 m² (780,000 ft²). Across the nation, Ford set a course to increase its purchases from Canadian parts firms. By 2004, the company will buy \$7 billion in parts - from a current level of \$4.5 billion - creating an estimated 4,000 new jobs in the auto parts sector.

SALES

Ford retained its title as Canada's best selling vehicle brand in 2001. Ford Explorer continued as Canada's best selling SUV for the fifth consecutive year, while Ford Escape earned the number-two SUV position. Ford F-Series retained its status as the top selling pick-up in Canada for the 36th consecutive year. Last year's total vehicle sales of 251,700 represented an 11 percent decline, compared to 2000, although strong products in key market segments help build sales momentum in the final months of 2001.

CUSTOMER SATISFACTION

Ford of Canada also made gains in its customer satisfaction scores during 2001. Overall purchase satisfaction jumped 10 percent, as 70 percent of Ford customers reported complete satisfaction with the sales experience. As well, the company saw a six percent increase in the percentage of customers who would recommend their Ford dealership to others. In 2001, 84 percent of customers said they “definitely would” recommend their Ford dealer to someone looking to buy or lease a vehicle.

POWERTRAIN OPERATIONS

Windsor, Ont. continued as the global backbone of Ford’s engine operations, producing 1.13 million engines at two plants. Windsor Engine Plant’s 5.4-litre Triton V-8 engine was named in Wards Auto World’s 10 Best Engines for the sixth consecutive year. Also in 2001, Ford’s Essex Engine Plant in Windsor was named the sole Canadian winner of the North America-wide Shingo Prize for Excellence in Manufacturing. Total engine production, however, was down 25 percent compared to all-time record 1.51 million engines in 2000.

VEHICLE ASSEMBLY

Ford of Canada’s assembly operations combined to produce 501,000 vehicles, including the exclusive global mandate to build Ford Windstar, Crown Victoria and Mercury Grand Marquis. Total production of these vehicles, and the Ford F-150 at Ontario Truck Plant, was down 20 percent.

FORD CREDIT

Also in 2001, Ford Credit Canada was lauded by consumers surveyed in J.D. Power and Associates’ Canadian Consumer Financing Satisfaction Study. For the third consecutive year, Ford Credit Canada ranked highest in initial vehicle loan satisfaction and repeated its top rating in initial auto lease satisfaction.

Contact:

John Arnone

(905) 845-2511 ext. 1316

jarnone@ford.com

News Release

FORD MOTOR COMPANY ANNOUNCES REVITALIZATION PLAN

- * **North American restructuring actions outlined**
- * **Annual stock dividend reduced to 40 cents a share**

DEARBORN, Mich., January 11, 2002 - Ford Motor Company [NYSE:F] today announced several restructuring actions as part of its Ford Revitalization Plan, a product-focused program designed to strengthen its position in the marketplace and improve its financial results. These actions will enhance the company's ability to produce the highest level of quality cars and trucks while reducing the cost structure.

"Our revitalization plan is based on executing the fundamentals of our business to build great products," said Chairman and Chief Executive Officer Bill Ford. "What we are outlining today is a comprehensive plan that builds for the future. It's going to take everyone in the extended Ford family - employees, suppliers and dealers - working together, over time, to make it work."

The actions announced today include:

- **New products:** A product-led revitalization program which will lead to the introduction of 20 new or freshened products in the U.S. annually between now and mid-decade.
- **Plant capacity:** Reduction of North American plant manufacturing operating capacity by about one million units by mid-decade to realign capacity with market conditions.
- **Hourly workforce:** About 12,000 hourly employees in North America are affected by the actions completed in December or to be taken throughout 2002 and beyond. An additional 3,000 hourly employees were affected in 2001. Plans are being made to reassign as many plant employees as possible.
- **Salaried workforce:** Last year's voluntary separation program for salaried employees and other related actions resulted in a 3,500-person workforce reduction in North America. This program will be extended to achieve an additional 1,500-person salaried workforce reduction to reach the goal of 5,000. If necessary to meet this goal, an involuntary separation program will be used.

- Global workforce: About 35,000 employees are affected by combined actions around the world including 21,500 in North America — 15,000 hourly, 5,000 salaried and 1,500 agency employees — and 13,500 in the rest of the world.
- Material costs: A material cost-reduction program has been initiated with North American suppliers which shares design savings, with Ford receiving 65 percent of implemented cost reductions and suppliers receiving 35 percent in the first year. Designs will be developed that will help improve Ford's products and overall quality. This program, along with other material cost reduction efforts, is expected to improve ongoing annual profits before taxes by \$3 billion by mid-decade (all \$ in U.S. Dollars).
- Discontinued low-margins models: The Mercury Cougar, Mercury Villager, Lincoln Continental and Ford Escort will be discontinued this year.
- Beyond North America: Revitalization plans beyond North American automotive operations include the continued implementation of the European Transformation Strategy, the Premier Automotive Group strategy, the turnaround in South America and a revised direction for Ford Financial.
- Divestitures: Ford is pursuing the sale of non-core assets and businesses. Ford's plans include \$1 billion of cash realization from these actions in 2002.
- Dividend: The annual common stock and Class B stock dividend will be reduced from 60 cents a share to 40 cents, payable March 1, 2002.

These actions and those already taken are expected to improve pre-tax operating results to \$7 billion annually, an improvement of \$9 billion by mid decade. As part of the restructuring, the company will take an after-tax charge to fourth quarter earnings of \$4.1 billion. The charge will cover several items, including asset impairments and personnel costs.

Today's announcement is part of an ongoing series of steps the company has taken over the past few months and will take in the future to restructure its business. Those taken earlier include the consolidation of car and truck product development in North America, a 50 percent dividend reduction, a 7 percent pay reduction to contract labor firms, a voluntary separation program for North American salaried employees, the elimination of bonuses and raises for senior managers, a sharing of health care costs with U.S. salaried employees and retirees, and the elimination of the company match for U.S. salaried employee 401(k) plans.

"Although the actions we're outlining today are difficult, they are necessary steps to lead Ford back to a strong financial and competitive position," said Nick Scheele, president and chief operating officer. "They will help us to address our problems, while at the same time permitting us to keep a sharp focus on delivering great products. Quality and value will be the hallmarks of our cars and trucks."

PLANT ACTIONS

Manufacturing plans over the next several years include: 1) Closing five plants: Edison Assembly, Ontario Truck Plant, St. Louis Assembly, Cleveland Aluminum Casting and Vulcan Forge; 2) No new products have been identified for two plants: Ohio Assembly and Cuautitlan Assembly, 3) Pursuing the sale of Woodhaven Forging Plant, 4) Major downsizing and shift reductions at 11 plants; and 5) Line speed reductions and changes to operating patterns at nine plants.

"In order to remain competitive and profitable, we must make some hard decisions to align capacity with our anticipated sales," said Scheele. "At the same time, the company is continuing its commitment to North American manufacturing operations with investments of about \$20 billion over the next five years in new product programs and spending to add flexibility and increase our ability to respond quickly to changes in market demand."

FINANCIAL MILESTONES

In addition, the company today announced the following 2002 financial milestones:

Restructuring Priorities

- Communicate/implement plans
- Quality
- Capacity utilization (North America)
- Non-product related cost
- Divest non-core operations

Milestones

- Report on progress
- Improve J.D. Power Initial Quality Survey
- Improve by 10 percent
- Reduce by \$2 billion
- \$1 billion cash realization

Financial Results

- Pre-tax operating earnings
- Capital spending
- Europe
- South America

Milestones

- Positive
- \$7 billion
- Improve results
- Improve results

"We are confident we can achieve these goals through the efforts of our dedicated employee team," Bill Ford said. "We know we have immediate challenges to face. It will be difficult, and in some cases, painful to turn things around. But we will turn things around."

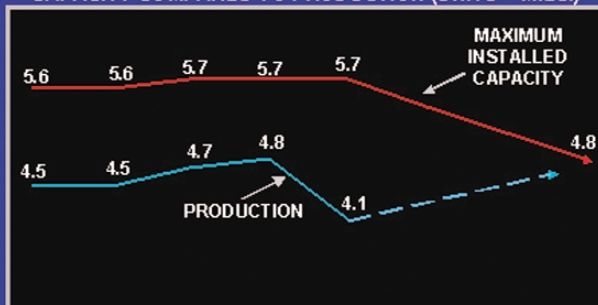
Della DiPietro
1-(313) 322-1185
ddipietro@ford.com
(Manufacturing)

John Arnone
(905) 845-2511 ext. 1316
jarnone@ford.com
(Ford of Canada)

Revitalization Plan - Select Slides

NORTH AMERICA IMPROVED CAPACITY UTILIZATION

CAPACITY COMPARED TO PRODUCTION (UNITS - MILS.)



1997 2001 ONGOING
MANAGED CAPACITY UTILIZATION 106% 101% 106% 106% 95% 104% 105% 112%

NORTH AMERICA FACILITY PLANS

PLANT CLOSURES BY MID-DECADE

EDISON ASSEMBLY CLEVELAND ALUMINUM
ONTARIO TRUCK VULCAN FORGE
ST. LOUIS ASSEMBLY

PLANTS WITHOUT NEW PRODUCTS

OHIO ASSEMBLY CUAUTITLAN ASSEMBLY

MAJOR DOWNSIZING / SHIFT REDUCTIONS -- 11 PLANTS

OPERATING PATTERN / LINESPEED CHANGES -- 9 PLANTS

PARTS DEPOT REORGANIZATION

12,000 JOBS AFFECTED

Contact Information

Ford Corporate and Media Websites:

www.ford.ca

www.ford.com

media.ford.com

Media Information Centre:

1-800-665-1515

Customer Relationship Centre:

1-800-565-FORD (3673)

After Hours Media Hotline:

(905) 257-NEWS (6397)

John Jelinek - Vice President, Public Affairs

(905) 845-2522 ext. 1161

Cell: (416) 543-3673

John Arnone - Manager, Public Affairs

(905) 845-2511 ext. 1316

Cell: (416) 452-0027

Ford/CAW Negotiations Location:

Toronto Colony Downtown Hotel

89 Chestnut St.

Toronto, ON

(416) 977-0707

Images

Available on <http://media.ford.com>



O3_Cr_vic_Inter_01_HR.jpg



O3_crownvic_01_HR.jpg



O2_F150SuprCab_08_HR.jpg



O2_F150SuprCab_09.jpg



O2_Windstar_LX_01_HR.jpg



O3GrandMarquis.jpg



O3Marauder.jpg



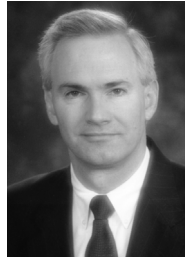
Batty_Hargrove.jpg



Windstar_O3.jpg



Alain_Batty.jpg



Tim_Hartmann.jpg

