

## Press release: GM to invest \$61 million in Defiance for new casting technology

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(Editor's note: The following is from a GM press release issued Friday at 1 p.m. Read the "Breaking News" story for complete C-N coverage of the GM announcement.)

General Motors Corp. will invest \$61 million in new technology at its Defiance plant to produce aluminum engine blocks in 3.6-liter high-feature V-6 (HFV6) engines. This will be the first application of precision sand casting technology at the plant.

The precision sand technology results in higher material strength properties needed to support the newer, more efficient engines in GM's product portfolio. The 3.6-liter high-feature V-6 engine has applications in the Cadillac CTS, SRX and STS; and the GMC Acadia, Saturn Outlook and Buick Enclave crossover SUVs.

The investment includes plant renovation and installation of new tooling and machinery for the new technology. Refurbishment of 120,000 square feet portion of the plant is slated to begin in June, with production of the precision sand engine block castings to begin in December 2009. The project will retain about 120 hourly jobs.

"We are transforming GM's casting business and moving in a new technological direction to be competitive in the changing marketplace," said Arvin Jones, GM Powertrain manufacturing manager for castings and components. "The Defiance plant is part of that transformation. This investment is possible because of the involvement of employees in improving the quality of our products and the efficiency of the operations here. Their efforts are contributing to GM's turnaround in North America."

The GM Powertrain Defiance plant management and UAW Local 211 leadership successfully negotiated a competitive operating agreement that improves operational effectiveness. The agreement also addresses processes and methods to improve production quality and safety of the operations.

"On behalf of GM, I commend the United Auto Workers, UAW Local 211 and Ohio's leaders on the state and local levels. Working together we were able to build a competitive business case to support this investment in Ohio. This investment, combined with GM Powertrain's investments at its transmission plant in Toledo, total nearly \$1 billion that GM has committed to its Ohio facilities in the last year," said Jones.

GM also announced earlier today, a \$332 million investment at its Toledo, Ohio transmission plant for production of a new line of fuel-efficient, front-wheel-drive, six-speed transmissions. The Ohio transmission plant is currently undergoing a \$540 million expansion for rear-wheel drive, six-speed transmissions announced last year.

"General Motors' continued investment in its Ohio manufacturing facilities is good news for Ohio workers and a testament to the great value of our highly skilled workforce," said Ohio Gov. Ted Strickland. "I commend the UAW, GM and Ohio's leaders on the federal, state, county and local levels for helping to provide the competitive climate to support these investments."

Precision sand casting involves a resin-bonded sand that forms a mold, which shapes the contours of the engine block to be produced. The sand is cured into a solid exterior mold. Molten metal is then poured into the mold. This process allows the use of cast-in-place iron liners, pressurized aluminum filling and produces a high degree of dimensional accuracy.

"Today marks an exciting new chapter in this plant's 59-year history of producing high quality castings for GM engine blocks and heads," said John Thomas, Defiance plant manager. "This investment plays a significant role in GM's continuing commitment to build exciting, fuel-efficient powertrains for the global market."

GM Powertrain's Defiance casting plant poured their first iron on August 23, 1948. The plant employs 1,554 hourly and 246 salary workers and has an annual payroll of \$135 million. In 2006, the plant produced 1,423,368 grey iron engine blocks, 1,078,497 grey iron cylinder heads, 206,577 aluminum engine blocks, 154,055 aluminum cylinder heads, as well as malleable iron transmission parts and nodular iron crank shafts. Grey iron cylinder blocks and cylinder heads manufactured at Defiance are used in the Vortec 4.8-liter, 5.3-liter and 6.0-liter V-8 engines that power GM's full-size SUVs and light-duty pickups and the Duramax 6.6-liter V-8 diesel engine that powers the Chevy Silverado HD and GMC Sierra HD pickups. Aluminum engine blocks and cylinder heads produced at Defiance are used in the 3.0-liter In-line four-cylinder and 3.7-liter five-cylinder engines that power the Chevrolet Colorado, GMC Canyon and Hummer H3.

General Motors Corp. (NYSE: GM), the world's largest automaker, has been the annual global industry sales leader for 76 years. Founded in 1908, GM today employs about 280,000 people around the world. With global headquarters in Detroit, GM manufactures its cars and trucks in 33 countries. More information on GM can be found at [www.gm.com](http://www.gm.com).