FORD TO BRING NEXT-GENERATION FORD EXPLORER, 1,200 JOBS TO CHICAGO MANUFACTURING FACILITIES

- Ford will produce the next-generation Explorer SUV at its Chicago Assembly Plant beginning in the fourth quarter of this year, bringing approximately 1,200 new jobs to the Chicago region
- Ford will invest nearly $400 million in its Chicago Assembly and Chicago Stamping plants to launch production of the Explorer
- The next-generation Explorer will feature significant fuel economy gains of at least 25 percent over the current-model Explorer thanks to EcoBoost engine technology, six-speed transmissions and a unibody construction
- Ford has sold more than 6 million Explorers since the vehicle was originally launched in 1990; Explorer has been America's best-selling midsize SUV for 15 of the past 19 years

CHICAGO, Jan. 26, 2010 – Ford Motor Company today announced it will produce the next-generation Ford Explorer SUV at the company's Chicago Assembly Plant beginning in the fourth quarter of this year.

Ford is investing nearly $400 million in its Chicago manufacturing facilities to launch production of the new, fuel-efficient Ford Explorer. The company also will add 1,200 new jobs to staff a second production shift at Chicago Assembly Plant and increase production at the nearby Chicago Stamping Plant.

The next-generation Explorer will be built at the Chicago Assembly Plant on a flexible assembly line alongside the new Ford Taurus and Lincoln MKS sedans. Ford's $400 million investment includes approximately $180 million in manufacturing investment at the Chicago sites and about $220 million for launch and engineering costs. In addition, Ford will be making significant investment in supplier tooling to support next-generation Explorer production.

"The new Explorer will redefine the SUV for the modern era – retaining the capability customers want while delivering superb fuel efficiency, comfort and convenience," said Mark Fields, Ford's president of The Americas. "This investment underscores Ford's commitment to building world-class, fuel-efficient vehicles in America and creating new jobs that will contribute to our nation's economic recovery."

The new Explorer will deliver at least 25 percent better fuel economy than the current model. The vehicle will feature unibody construction, Ford's EcoBoost engine technology, a six-speed transmission and lightweight materials. Ford will provide full details about the new Explorer later this year.

In addition, the next-generation Explorer will debut the auto industry's first-ever production inflatable seat belts, designed to provide additional protection for rear-seat occupants – often children and older passengers who can be more vulnerable to head, chest and neck injuries. The inflatable rear seat belts spread crash forces over five times more area of the body than conventional seat belts, which helps to reduce pressure on the chest and to control head and neck motion for rear-seat passengers. Ford eventually plans to offer inflatable seat belt technology on other vehicles globally.

"Our Chicago Assembly Plant – with its excellent work force, lean and flexible manufacturing processes, and proud history of making great Ford vehicles – is the ideal choice for building the new Explorer," said Jim Tetreault, Ford vice president, North America Manufacturing. "The plant successfully has launched two new vehicles in the past two years and our Chicago employees consistently deliver with an eye on quality, efficiency and safety."

In planning for the company's future manufacturing presence in the state, Ford worked closely with Illinois Gov. Pat Quinn, who led an effort in passing legislation that allows Ford to participate in Illinois' Economic Development for a Growing Economy (EDGE) program, which provides tax incentives to businesses that commit to new investments and create or retain jobs in the state. This legislation allows Ford to participate in the EDGE program through payroll tax credits rather than corporate income taxes.

"Governor Quinn immediately understood the importance of helping Ford by proposing and passing legislation that provides us with an alternative way to claim and secure these important tax credits," Fields said. "We are grateful for his support of Ford and auto manufacturing in Illinois, and want to thank him for his leadership."

"The production of the new Ford Explorer will create 1,200 new jobs here in Illinois," said Gov. Quinn. "The Economic Development for a Growing Economy tax credit, which I put the full weight of my administration behind and signed into law in December, has provided much needed relief to our state's ailing automotive industry and the necessary incentives for one of our nation's leading car companies to stay in the Land of Lincoln."

Ford's investment of $400 million in Chicago-area manufacturing facilities and Explorer's fuel economy improvement of at least 25 percent is also supported by Ford's green partnership with the U.S. Department of Energy. Chicago Assembly Plant is one of 11 Ford facilities in the U.S. participating in the Advanced Technology Vehicles Manufacturing Incentives Programinitiated by Congress and implemented by the Obama administration. The program is helping to develop advanced technology vehicles and strengthen American manufacturing across the country. Ford, Nissan, Tesla, Fisker and Tenneco are all participants in this initiative.

"Ford has been a major presence in our city since 1924 when it opened this plant to make the Model T," said Chicago Mayor Richard M. Daley. "The company has demonstrated its commitment to Chicago by spending millions of dollars to modernize the facility in recent years, and I want to thank the company for that commitment and for its faith in Chicago and its residents."

The current Explorer and Explorer Sport Trac models are built at the company's Louisville Assembly Plant in Kentucky. Shifting production of the next-generation Explorer to Chicago Assembly paves the way for Louisville Assembly to undergo transformation to a flexible, fuel-efficient small car plant from a truck-based SUV plant. Ford will begin producing new vehicles at Louisville Assembly based on its global C-car platform in 2011. The specific models will be named at a later date.

The Chicago Assembly Plant, opened in 1924, currently has approximately 1,200 employees working on one shift. Ford's Chicago Stamping Plant, which opened in 1956, has approximately 700 employees on two shifts. Opened in 1955, Louisville Assembly Plant has approximately 1,000 employees operating on one shift.

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About Ford Motor Company

Ford Motor Company, a global automotive industry leader based in Dearborn, Mich., manufactures or distributes automobiles across six continents. With about 200,000 employees and about 90 plants worldwide, the company's automotive brands include Ford, Lincoln, Mercury and Volvo. The company provides financial services through Ford Motor Credit Company. For more information regarding Ford's products, please visit www.ford.com.