

# Southampton Assembly Plant Employee Bulletin

Dear Colleague,

As you will be aware, the difficult economic conditions we experienced in the latter half of 2008 continue into 2009. Regrettably this continues to have an adverse impact on the automotive industry and we have again seen our volumes reduced as a direct result. On Friday we met with both the Hourly and Salaried TU senior representatives to advise them that for the 1<sup>st</sup> quarter of this year our volumes have been further reduced.

In this challenging business environment we need to achieve our volumes in the most cost effective manner. Although there will be additional down days, we cannot afford, and it does not make good business sense, to have our people laid off for significant periods of time and still pay shift premiums. Therefore commencing February 2<sup>nd</sup> through to April 3<sup>rd</sup> inclusive all production areas will work day shift, 7.00am to 3.00pm (including 30 minutes unpaid lunch break). Areas that are required to deviate from this dayshift pattern will also have this confirmed in writing.

Some support functions will continue to work on a shift basis and for those employees the local management will work with their TU representative to finalise details.

We plan to build 162 units off line per day, for the majority of this period we will work Monday through to Thursday. Friday will be a down-day off day unless you are identified as being required to work and the working hours will also be 7.00am to 3.00pm. A schedule of the current down days is shown on the reverse of this bulletin and if there are any changes we will notify you. You are reminded that to qualify for Lay Off Pay you must be available for work if required.

This new volume will not require all employees from both shifts to be in work at the same time, it is therefore our plan to alternate between the two production shifts. For example if you are currently scheduled to work an early shift on February 2<sup>nd</sup> you should report for work on day shift at 7.00am of that week. If you are on late shift during this week you may be required to work to supplement the 'lead' shift's increased RTO, otherwise you will be laid off. Local management will work with you to identify the skills required to support production and we will, to the best of our abilities, ensure that we allocate work to people fairly.

Our schedule also includes a plan to have a 12 day 'down' period from Friday February 6<sup>th</sup> to Monday 23<sup>rd</sup> February (inclusive), as with our Christmas shutdown plans we aim to maximise utility savings by closing large areas of the plant where possible.

For the period April to December 2009 our current schedule shows a requirement for two shift working to support customer demand, so it is important that we retain the capacity within the plant to meet these needs.

These are unprecedented and difficult times. Every day we see another household name under threat due to the economic climate. We must continue to do all we can to protect our business and I hope you understand the need to make difficult business decisions to achieve this.



Martin Chapman  
Plant Manager

January 13<sup>th</sup> 2009