

# Our Plan to Drive America Forward

*More than seven million jobs and thousands of communities depend on a healthy domestic auto industry. From manufacturing firms that produce auto parts and materials, to service providers to teachers, first responders and countless others, the auto industry's economic impact is wide and deep. The future of people all across the country is intertwined with the future of the auto industry and its supply chain. This fight matters to all of us. That's why we are urging Congress and the Administration to enact our plan.*

**1. We need to stimulate domestic demand for automobiles.** An incentive program like **cash-for-clunkers with a strong domestic content requirement** can work.

Shrinking our way to prosperity is not the answer. If consumer demand stays at or below 10 million cars per year, the result will be more than GM and Chrysler plant closures. Hundreds of thousands of auto supply jobs and the millions of jobs that they support will also be at risk. Italy's car incentive program is predicted to increase car sales by 200,000 this year. In Germany, sales were up 40 percent in March over the prior year. **Credit must also be restored for retail loans, working capital loans, and wholesale inventory (floor plan) loans** to help consumers and auto dealers obtain financing.

**2. American tax dollars must support domestic jobs, investment, and innovation, and reject off-shoring as a path to profitability for GM and Chrysler.**

Governments around the globe have been forceful in tying stimulus money to pledges that auto companies will not close plants or lay-off workers. Italy conditioned its \$1.7 billion of stimulus money to keeping plants open. France loaned \$8.5 billion to its three carmakers in early February. French President Sarkozy announced that the loans were not protectionism and that, "[i]t is my responsibility to keep jobs in France." Selling cars in the U.S. market brings

with it the responsibility to source products in our markets as well.

**3. Restore cooperative innovation and research and development efforts.**

The federal government should partner with industry to establish a National Automotive Research and Development Program, provide incentives for improved supplier management programs, and provide incentives for companies to create programs that lead to better, safer, and more fuel-efficient cars for all of us.

**4. Change health care policy to eliminate structural problems for the domestic auto industry.** The Big Three's foreign competitors benefit from either national health care plans or through offering substandard benefits. **All Americans — including the auto industry — would benefit from health care reform that controls costs while protecting coverage and quality.**

**5. Ensure trade policy promotes U.S. interests.**

The American car market is one of the most open markets in the world. The U.S. imports \$41.5 billion in cars and light trucks from Japan and \$7.5 billion from Korea, while we export only \$534 million and \$373 million respectively. We must address non-tariff barriers to trade in these markets, end currency misalignment, and aggressively enforce our trade laws to eliminate unfair trade practices.

Keep It Made in America. It's Our Fight, Too.

**Alliance for American Manufacturing**



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MADE IN  
AMERICA**

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