



Ford European Works Council

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European Workshop: EWC as Transnational Organisation?



Ford European Works Council

Development from an Information and
Consultation Body to a
Participation Organ

Contents:

1. **History of Ford Motor Company**
2. **Ford Motor Company in Europe**
3. **Ford European Works Council**
4. **Ford EWC as an Actor**
5. **Conclusion**



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History of Ford Motor Company

June 16, 1903 Henry Ford and 11 business associates signed the company's articles of incorporation

1913 Introduction of the moving assembly line in the Highland Park plant in Michigan, US
Company's Strategy: production of affordable cars for a mass market.

1925 FMC acquired the *Lincoln Motor Company*
Market expansion: luxury cars

1930s The *Mercury* division was created
Additional market sector:
mid-priced cars



History of Ford Motor Company

Feb. 24, 1956 The company went public
- about 350,000 new stockholders

1960s The global expansion of FMC

1967 The establishment of *Ford of Europe*

1971 *North American Automotive Operations*
- consolidation of U.S., Canadian,
and Mexican operations





Henry Ford, ca. 1919

Ford Motor Company

- Public company
- Headquarters: Dearborn, Michigan (Detroit)

Divisions

- Ford Credit
- Ford division
- Lincoln
- Mercury
- Premier Automotive Group

Subsidiaries

- Automotive Components
- Holdings
- Jaguar
- Land Rover
- Volvo (cars only)



Vehicle Brands at Ford Motor Company



LINCOLN



MERCURY



JAGUAR



mazda

Position of Ford Motor Company in the USA

Table 1: **Fortune 500 - annual ranking of America's largest corporations in the USA**

No ^{S1}	Company	500 rank	Revenues (\$ millions)
1	General Motors	3	207,349.0
2	Ford Motor	7	160,126.0
...			
9	Visteon	219	11,418.0
...			

Source: <http://money.cnn.com/magazines/fortune/fortune500/2007/snapshots/529.html>

From the April 30th, 2007 issue



S1

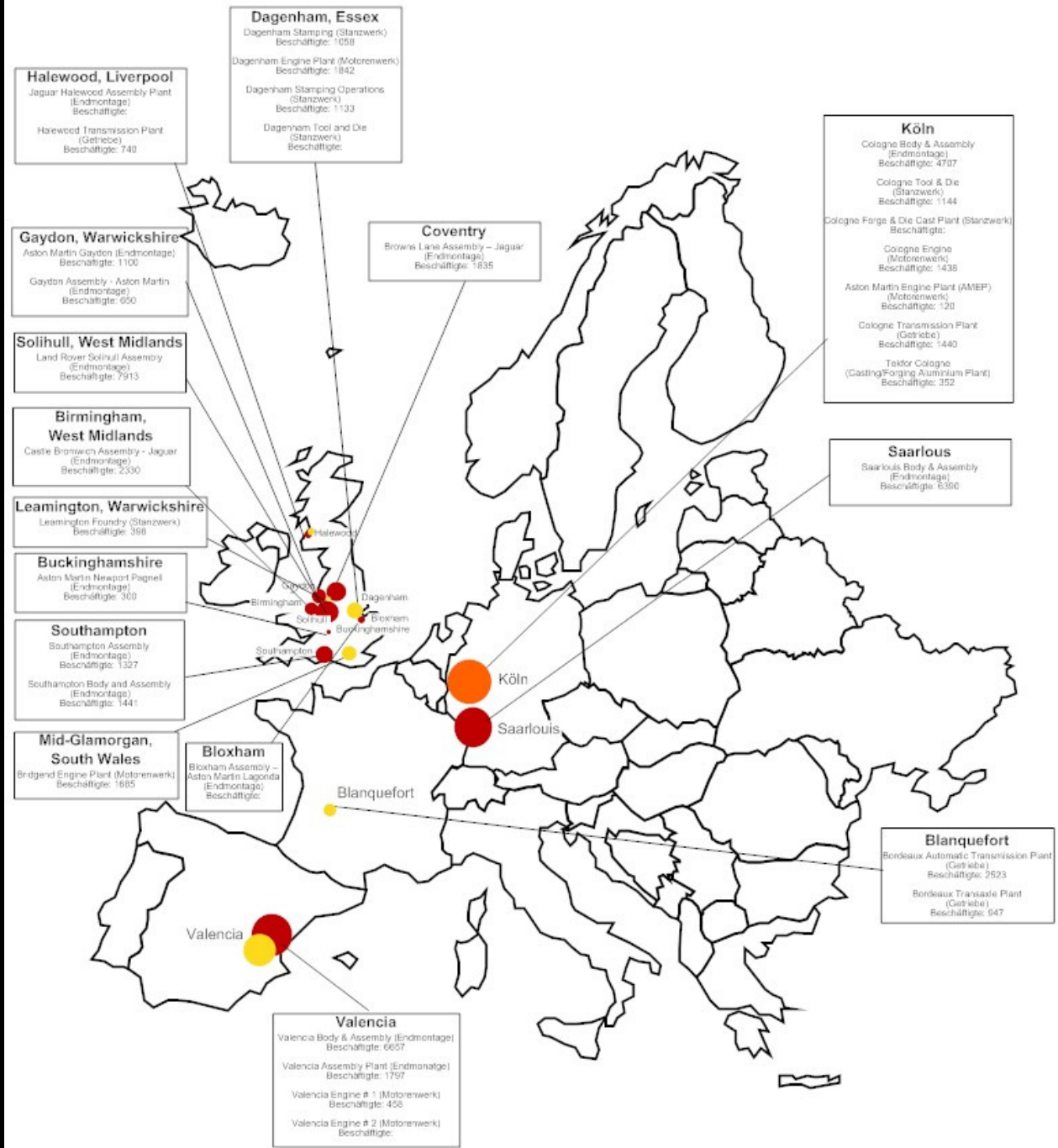
Industry: Motor Vehicles & Parts

Saichik; 12.07.2007

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Ford Motor Company in Europe

Ford European Holdings Inc. (Wilmington, US)

Ford subsidiaries in Europe:

- *Ford España*
- *Ford France*
- *Ford Italiana*
- *Ford Motor Co. (UK)*
- *FORD MOTOR COMPANY (Austria)*
- *FORD Motor Hungária*
- *Ford Motor Norge A.S.*
- *Ford Poland S. A.*
- *Ford-Werke AG (Belgian Operations)*
- *Ford Werke AG (Cologne)*
- passenger cars and commercial vehicles



Position of Ford Motor Company in Germany

Table 2: **The 50 biggest US-Companies in Germany**

Rang	Company	Volume of Sales in Euro
1	Adam Opel GmbH (General Motors)	16.000.000.000
2	ExxonMobil Central Europe Holding GmbH	14.700.000.000
3	Ford-Werke GmbH	14.287.900.000

Source: http://www.handelsblatt.com/news/Unternehmen/Firmen-Rankings/pv/grid_id/1313191/p/201312/t/ft/b/1141482/default.aspx/die-50-groessten-us-unternehmen-in-deutschland.html

HANDELSBLATT, Mittwoch, 27. September 2006



Position of Ford Motor Company in Germany

Table 3: **Top US-Employers among the 50
biggest US-Companies in Germany**

Rang	Company	No. of Employees
1	Mc Donald's Deutschland Inc.	52.117 (incl. franchise)
2	Ford-Werke GmbH	25.214
3	Adam Opel GmbH	24.167

Source: http://www.amcham.de/fileadmin/user_upload/TOP50/TOP-US-Employers.pdf of Oct.2006
HANDELSBLATT, Mittwoch, 27. September 2006



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Ford European Works Council

Article 13 Agreement

Duration: Undetermined

Date of signature: **16/09/1996**

Mode of enforcement of body: **Information and consultation** procedure

Composition: **workers** only

Trade union expert – in the provisions of the Agreement

Duration of mandate: **4 years**



Composition of the Ford EWC

Table 4: Geographical field of the agreement

Country	EWC members
Belgium	3
France	2
Germany	5
Portugal	1
Spain	2
United Kingdom	5
<i>all</i>	18

Source: http://www.ewcdb.org/show_body.php?body_ID=82

Ford EWC - 1996



Resources of the body

EWC Vice-Chair/Exec Secretary:

Worker

Select committee / bureau:

3 Workers

Budget administered by:

Employers

Guaranteed in the Agreement:

- Communication system(s)
- Access to subsidiaries

Not foreseen in agreement:

- Technical secretariat
- Working commission or group
- Time off for duties
- Training topics



Meetings of the Ford EWC

Annual frequency of EWC meetings:

- 1 ordinary + possibility of 1 extraordinary meeting
- Preparatory meeting including

Responsible for the agenda: Workers and Employers

Invitation notice: 1-2 months

Assistance by experts: Preparatory and plenary meetings

- social themes on the experts assistance
- simultaneous translation

Publishing of report is required



Competencies of the Ford EWC

Social areas: Employment

Economic areas:

- Production
- Market
- Field of Activity
- New technologies
- Merger
- Delocalisation

Financial areas:

- Balance sheet (analysis)
- Investment



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Historical Development of the Ford EWC

16/09/1996 - installation agreement - Ford European Works Council

01/01/2000 - substantive agreement - Ford EWC

28/01/2000 - substantive agreement - Ford EWC
– *Agreement Governing the Separation of the Ford Visteon Organisation*

04/12/2003 - substantive agreement - Ford of Europe and the Ford EWC
(FEWC)
- *Social Rights and Social Responsibility Principles*



01/01/2000 - Ford EWC

2000 Ford's European manual transmission business was integrated into a 50/50 joint venture with Getrag Ford Transmissions (GFT)

The role of the Ford EWC:

- Agreements ensuring the future of the plants concerned were negotiated
- employees remained Ford employees in the new joint venture



28/01/2000 - Agreement Governing the Separation of the Ford Visteon Organisation

- Ford started outsourcing of supplier functions to an independent company – Visteon
- Ford and Visteon management signed an agreement with the Ford EWC on the transfer of workers from Ford to Visteon

Achievements:

- regard to pay
- Pensions
- length-of-service related entitlements
- other benefits of the former Ford workers transferred to Visteon

Similar agreement in the USA as well



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Conclusion

“Our strategy has to be based on a solid business model – otherwise we may pull the rug out from under our own feet.”

**Georg Leutert,
secretary of the Ford EWC**



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**Thank you
for your attention!**

