

Indiana Transmission Plant II

Achievements

Safety

2005 Health and Safety Lowest LWDI Rate Award
2005 ACOEM Green Cross Safety Award
(American College of Occupational and Environmental Medicine)
2006 National Safety Council Industry Leader Award
2006 National Safety Council Excellence Achievement Award
2006 Corporate Health Achievement Award
2007 National Safety Council Excellence Achievement Award
2008 UAW-Chrysler Health & Safety Award for the Lowest Incident Rate in Manufacturing
2008 National Safety Council for being the “Best of the Best” in safety performances:
2008 Occupational Excellence Achievement Award - Plants/Divisions with a lost workday injury rate that is less than half the rate for its BLS/NAICS code for the prior year
2008 Recognition of Significant Improvement Award - Plants/Divisions with at least a 20% reduction in lost workday cases compared to prior year
2008 Perfect Record Award - Plants with zero lost workday cases for the prior year.
2008 Occupational Excellence Achievement Award for Outstanding Safety Practices

Quality

EPUS (expense per unit sold)
2005 to 2006 = 2.35%
2006 to 2007 = 59.7%
Registered ISO9001:2000 TUV, ISO 14001
2008 Shingo Silver Medalian Award Recipient

Cost

Year to year Conversion cost improvements
2005 to 2006 = 4.63% improvement
2006 to 2007 = 2.37% improvement
Scrap
2005 to 2006 = 17.47 % improvement
2006 to 2007 = 30.8 % improvement
Tooling
2005 to 2006 = (21.6) %
2006 to 2007 = 27.7 % improvement
Maintenance
2005 to 2006 = (4.99) % improvement
2006 to 2007 = 6.4 % improvement
Supplies
2005 to 2006 = 1.02 % improvement
2006 to 2007 = 25.86% improvement

Delivery

2003 Production Control “Launch of the Year” Powertrain
2004 Best in Delivery Co-Chairs Award
100% on time delivery to customers since launch
2007 Advanced Mfg Excellence Top Plant Award
(Second Place)

Morale

Corporate Awards

2006 Best Overall Communications Program (Second Place)
2006 Best Communication Display (First Place)
2006 Best Photograph (Second Place)
2006 Most Innovative Communication Effort (First Place)
2006 Best News Story (First Place)
2006 Best Feature Story (Second Place)
2006 Best “Communicating For Results” Program
(Second Place)
2005 Excellence Award for SMART/Lean Implementation of team based Mfg for both powertrain and the corporation

Community Awards/Recognition

2007 Certificate of Appreciation, 638th Division Aviation Support Battalion
2007 United Way
2007 Minute Man Award
U.S. National Guard

2007 United States Marine
Corps Commanders Award
“Toys for Tots”



Company

Chrysler LLC is a major automotive company known in the industry for speed, style and innovation. It is an exciting time in our history; and our strategy, as a privately owned company, is to design, build and deliver high-quality products and segment-defining vehicles that will continue to set us apart from the competition.

Our brands - Chrysler, Dodge, Jeep and Mopar, have been established for decades and provide a solid foundation for continued global growth and technological advancement. Headquartered in Auburn Hills, Michigan, USA, with operations worldwide, we manufacture, market and distribute a product portfolio including cars, trucks, minivans, SUV's (sport utility vehicles), automotive parts and accessories.

Plant

In 2000, Chrysler announced plans for a sister plant to the Mercedes Transmission Plant in Hedelfingen, Germany to be built in Kokomo, Indiana. Indiana Transmission Plant II celebrated its grand opening in 2003 and launched volume production of the W5A580 5-speed automatic transmission the following year. In September 2007 we built our 1,000,000th transmis-

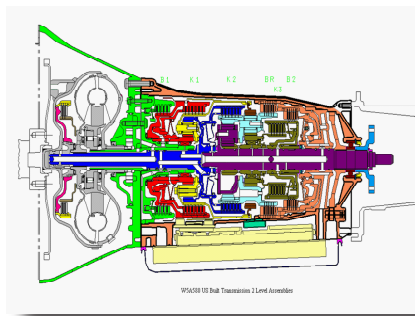


sion. The product is supplied to Chrysler assembly plants in the USA, Canada and Europe.

- \$430 Million Asset
- 600,000 Square Feet
- 61 Acre Site
- Air Conditioned with High Efficiency Energy Center
- Computer Integrated Facility
- 441 Employees

Product

W5A580 – 5-speed transmission:



The W5A580 is a fully adaptive, electronically controlled five speed automatic transmission for the Chrysler 300, Dodge Magnum, Jeep Grand Cherokee, Jeep Commander; Dodge Nitro, Dodge Charger and Dodge Challenger

Process

The plant's flexible manufacturing allows us to build transmissions in 13 different configurations on the same assembly and production lines with zero set up. This allows us to support many different models of car and engine combinations along with two and four wheel drive vehicles.

People



ITP II was launched with an agreement between the UAW and the Corporation to move toward team-based manufacturing and a more flexible workforce. We started with traditional UAW employees under their national contract. Each team member volunteered to come to ITP II to implement working in teams for the first time within the Kokomo area. With sincere dedication from

the team members and extensive training in both the technical and soft skills, employees have embraced the team structure and are always striving for continuous improvement. The UAW and management both work with our teams on a daily basis to assist in problem-solving and their decision-making endeavors. Our teams have taken ownership of their processes, understanding the business and accountability of their decisions.

Using surveys from management, our teams and the auditors from the National Training Center, Team Concepts have all scored in the 90% range. Additionally, the results of these sur-

veys assist us in validation and in targeting problem areas. A culture of diversity and support for the Operator has helped ITP II meet nearly every metric and goal. The plant uses advanced automation, leading-edge technology and flexible processes to develop an information system that disseminates all metrics to the floor level. This has put the people with the most knowledge in charge of the process.

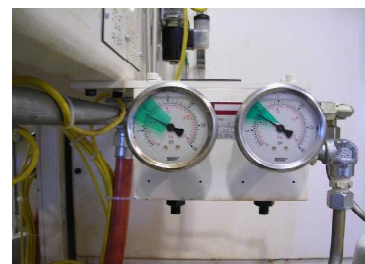
Launch teams benchmarked plants all over the world to find processes that fit within our culture to further our progress. Many of the team members spent time in Germany, Brazil and Japan toward this endeavor.

- Team members go through a full week of training prior to joining their teams. Training is ongoing for all team members to ensure continuous improvement.
(4,684 hours of training was provided in 2007)
- Green Belt training is given to many of the team leaders to assist them in problem solving. Critical Thinking is being implemented for all teams.
- Teams are empowered to make decisions at the floor level.
- Company goals are aligned to the team level.
- Standard Work Instructions (SWI) are prevalent throughout the entire process.

TPM

Total Productive Maintenance is a strong part of our continuous improvement process. ITP II has achieved "Check Point Four". Binary Communications, 5s, and Visual Management are easily recognized within our facility. Our TPM Small Groups are made up of UAW skilled, non-skilled, engineering and management members.

The mission of TPM is to improve equipment wellness as an enabler for teams to maximize equipment efficiency. Using OEE (overall equipment effectiveness), MTTR (mean time to repair), and MTBF (mean time between failures) as key process indicators for improvement.



Contact

Elizabeth Gwyn
UAW PQI Facilitator
UAW Smart Facilitator
Indiana Transmission Plant II
3360 N US HWY 31
Kokomo, In 46901
765-236-4763



CHRYSLER

