

# Some local workers optimistic about sale

## Chrysler: The Road Ahead

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By Matt Bach

When he returns home to his wife and three young children in Flint, Jawun Nelson leaves the stress and uncertainty of his DaimlerChrysler job at the door.

His family doesn't need to see that, Nelson says.

But the stress surrounding the troubled automaker eased a bit for Nelson on Monday as DaimlerChrysler said it would sell 80.1 percent of Chrysler to private equity firm Cerberus Capital Management LP for \$7.4 billion.

"It seems like it's pretty good news compared to the other options out there," said Nelson, who works in the accounting and finance department at the Chrysler Group headquarters in Auburn Hills.

"If they had (gone with General Motors) with the two headquarters right down the road, there could've been massive layoffs because of all the duplication of departments and management," he said.

Nelson, 34, said the mood among employees was hard to read Monday.

"It's been kind of quiet this morning," Nelson said Monday. "When they first made the announcement (that DaimlerChrysler was looking to sell), there was a lot of fear going around, and everyone didn't know what was going to happen."

As a salaried worker, Nelson is not a union member, but he was pleased to see the UAW support the sale. UAW President Ron Gettelfinger called it the best choice for Chrysler.

"The UAW support makes it even better," Nelson said.

David Kudla agreed with Nelson's assessment. Kudla is chief executive officer and investment strategist for Mainstay Capital Management in Grand Blanc and does financial planning and advising for many Chrysler workers.

Kudla said that while Genesee County is primarily known as a GM area, a large number of Chrysler employees live in southern Genesee County and the surrounding area and commute to Auburn Hills and Detroit-area Chrysler plants.

"It's real interesting that Ron Gettelfinger came out in support of the deal," Kudla said. "They see this as the best offer from a labor perspective in retaining jobs and negotiating benefits and everything else. (The UAW) has probably had favorable conversation with Cerberus."

Kudla said the deal could result in Chrysler Financial and GMAC combining forces because Cerberus will be the majority owner in both. Overall, Kudla believes it could be good for the company and its workers.

"It's a fresh start for Chrysler," Kudla said.

"There's always these questions about a private equity firm and what is their endgame. But with some of the statements they've made up front (about honoring the UAW contract and not cutting more workers) and the endorsement by Ron Gettelfinger, we hope that it's a positive in terms of what it means for the company and labor in general. Certainly, a more prosperous Chrysler is better for everybody involved."

But not everyone is optimistic about the sale.

Norris Freeman III, a 12-year Chrysler employee who works at the Warren plant, said he thinks the Cerberus deal will not be good for the automaker. The change could mean more job losses and concessions in contract talks this summer if Cerberus is looking to make money quickly.

"I really don't think this sale is going to work for us," he said. "I think the new company will just get rid of more workers."

"I think Cerberus is in it just for the money."