



Built for life in Canada

THE MARKET

The automotive marketplace is in a constant state of change. The continuous evolution of technology and the ongoing move towards globalization have put the heat on international competition. Today, products come from all over the world, making it more difficult to identify competitive threats and predict the trends that will impact the industry for years to come. Consumers face an endless array of choices, and buying a new vehicle in this crowded environment can be a confusing and overwhelming experience. As a result, consumers now demand the perfect mix of value, styling, product quality, performance and customer service.

The Ford Motor Company of Canada sees the new realities of the automotive marketplace as an arena of endless opportunity. Propelled by a dedication to innovation and imagination, Ford produces and delivers the cars and trucks that Canadians want and need — in a way that inspires continuing brand loyalty.

ACHIEVEMENTS

The Ford Motor Company was responsible for the great invention that essentially created the modern automotive industry. The moving assembly line, first implemented in Michigan in 1913, was a revolutionary idea that meant individual workers could stay in one place and perform the same task repeatedly on multiple vehicles that passed before them. The result of this process was that vehicles could be produced in mass quantities, so quickly and efficiently that vehicle ownership soon became an affordable luxury to the working class. The rest, as they say, is history — and few companies have been as much a part of modern life as the Ford Motor Company.



More recently, Ford has contributed to both the automotive industry and the environment through its ongoing commitment to environmental vehicle technology. In early 2006, Ford set an industry precedent by announcing it will be the first manufacturer to build hybrid vehicles in Canada.

Consistent with Ford's commitment to the environment, Ford introduced the world's first full hybrid SUV — the Ford Escape Hybrid. The Ford Escape's Full Hybrid Technology results in an 81 percent reduction in smog-forming emissions and can travel over 600 kilometers on a single tank of gas.

The Escape Hybrid is a tremendous success and a real example of Ford's Environmental Pledge, which states that "Ford Motor Company is dedicated to providing ingenious environmental solutions that will position us as a leader in the automotive industry of the 21st century. Our actions will demonstrate that we care about preserving the environment for future generations."

Ford of Canada has had remarkable success with a number of vehicle lines. In particular, Ford F-Series trucks have been the best-selling full-size pick-up truck in Canada for the past 40 years. The F-Series line of trucks is not just used in rugged work situations; many people just appreciate the distinctive and rugged styling of a Ford truck and drive one for pleasure on a daily basis. In addition to the truck line, Ford has also created such legendary vehicles as the Mustang and the Thunderbird, which have captured the spirit of the times for many generations of car lovers.

HISTORY

Ford Motor Company produced its first vehicle over a century ago in 1903. Henry Ford insisted that the company's future lay in the production of affordable cars for the mass market.

The Ford Motor Company of Canada began producing automobiles a year later in 1904. A total of 117 cars were produced in the first year. The Model T made its way onto Canadian assembly lines in 1908. Although the Canadian-made Fords were similar to the American models, Ford of Canada made it a priority to maintain a high level of Canadian-made parts in its lineup of cars and trucks.

Nineteen years later, Ford had produced 15 million cars and had expanded to become a true global power in the automotive industry. The company established its North American Automotive Operations in 1971, consolidating its U.S., Canadian and Mexican operations more than two decades ahead of the North American Free Trade Agreement.

Canada has always maintained its own distinct identity with regards to vehicle lines. Historically, some body types were sold under different names in Canada. When the American "T Runabout" was renamed the "Roadster" in 1923, Ford of Canada continued calling it the "Runabout." Ford of Canada also called their four-door sedan of the time a "Fordor" — it was another five years before that name was adopted in the United States. After the Canada-U.S. Auto Pact came into effect in 1965, many Mustangs and Thunderbirds that were shipped from the United States to



Canada were outfitted with Canadian-made engines and imported duty-free from the States.

Throughout its history, Ford of Canada has always had a long standing tradition of building strong vehicles and finding ways to improve product design to further develop product capabilities.

THE PRODUCT

Henry Ford drove the company's success by looking beyond the norms of the current reality and instead imagined what could be. He once quipped, "The man who will use his skill and constructive imagination to see how much he can give for a dollar instead of how little he can give for a dollar is

bound to succeed.” Throughout history, Ford product has illustrated the essence of that statement by providing outstanding value through faster innovation, superior organization and greater imagination.

Ford vehicles have ignited the passion of automotive enthusiasts and attracted scores of consumers. Vehicles like the GT40, Explorer, F-150 and, of course, the Mustang, have become ingrained as icons in our culture.



An equally impressive array of vehicles including the Focus, Fusion, Escape, Freestyle, Freestar, E-Series and Ranger round out the Ford product offering. In their own unique and distinctive way, each of these vehicles embodies the Ford passion for value, innovation and style.

RECENT DEVELOPMENTS

Ford dubbed 2004 “The Year of the Car.” Having recently redesigned the F-Series pickup, already a segment leader, Ford was set to tackle the various sedan segments where Asian competitors had been gaining ground. The first new arrival was the Five Hundred. Ford engineers were challenged to imagine just how remarkable a sedan could be and succeeded in creating a sophisticated and affordable car that provided excellent fuel economy and all-wheel-drive capability while proving to be one of the safest cars in North America. The arrival of the family-friendly Freestyle further demonstrated Ford’s dedication to imaginative design. Combining the best attributes of a car, an SUV and a minivan, the Freestyle now defines the crossover segment in Canada.



Next to arrive was the redesigned Ford Mustang. With what was described as “retro-futurism” styling, the Mustang was an instant hit with car lovers.

The Ford Fusion rounded out the new car product lineup. Arriving at dealerships late in 2005, the Fusion delivered style and substance to

the mid-sized sedan segment, traditionally dominated by bland cars with little personality. The Fusion combined a sleek young look with exciting driving dynamics at an attractive price. It soon became very popular with consumers and captured an exceptionally healthy share of category sales.

The year 2006 saw a major redesign of the Ford Explorer, with improved power, comfort, safety, styling and possibly most impressive — better fuel economy.

Ford of Canada was very pleased to announce in 2006 that the Oakville, Ontario plant would be responsible for building two of its newest and most exciting vehicles — the Ford Edge and the Lincoln MKX. The Edge is an all-new entry into the increasingly popular crossover segment featuring modern styling, AWD capability and precise handling dynamics. The MKX represents Lincoln’s first volume vehicle to be built in Canada.

PROMOTION

With over a century of production in Canada, Ford of Canada has become part of the Canadian experience. The company has made a solid commitment to community involvement, and with an incredible history behind it, Ford will continue to be an integral part of the fabric of Canada. This sentiment is evident in all aspects of its marketing, advertising and sponsorships.

The tagline “Built for Life in Canada” is a true reflection of the Ford brand across the country. But at Ford, being Built for Life in Canada means much more than producing cars and trucks that can withstand Canada’s extreme weather conditions.

For Ford, life in Canada also means understanding that we are a country fanatical about sports. Sports are an essential part of the Canadian experience, and Ford is proud to support activities at all levels across the country. Ford of Canada is a proud sponsor at many NHL arenas, and equally important is their presence at many community rinks across the country. Canada’s hockey hero, Wayne Gretzky, is a Ford partner who shares similar community-focused values and helps reinforce Ford’s enduring connection with all things Canadian. In addition, each year, Ford partners with many charitable organizations, including the Wayne Gretzky Foundation, the Canadian Breast Cancer Foundation, the Juvenile Diabetes Foundation and the United Way to raise money and build awareness.

Beyond vehicle technology, Ford of Canada’s commitment to new technologies and innovations



is evident in its support of new media in the marketplace. Some examples include Canada’s largest billboard in Calgary, Alberta, the Escape Living Billboard, which featured over 800 living plants, and the Escape Birdhouse Billboard, which housed and fed countless thousands of birds throughout its posting. These were not only firsts in innovative media thinking, but also supported Ford’s stated Environmental Pledge.

BRAND VALUES

Ford is a customer focused, forward thinking, imaginative company that combines global strengths and resources with an understanding of the unique Canadian marketplace to provide customers with a relevant, diverse lineup of vehicles to meet their needs. Ford Motor Company believes that technology, innovation and environmental awareness are key factors to serving their customers today and in the future.

THINGS YOU DIDN'T KNOW ABOUT FORD

- The automotive brands owned by the Ford Motor Company include Ford, Aston Martin, Jaguar, Land Rover, Lincoln, Mazda, Mercury and Volvo.
- Ford F-150 has been Canada’s best-selling pick-up truck for 40 years in a row.
- Ford is Canada’s largest automotive recycler. Being a leader in automotive recycling is part of Ford of Canada’s commitment to serving customers and the environment throughout the entire lifecycle of a vehicle. All Canadian-built Ford vehicles exceed the industry average of 75 percent vehicle recyclability.
- The first modern car chase is generally seen as that in 1968’s *Bullitt*, featuring a “Highland Green” 1968 Mustang GT 390 Fastback.
- Spraying champagne after racing victories has become a tradition. This tradition began when three Ford GT40s placed 1-2-3 at Le Mans in 1966.
- America’s first commercial airlines used 199 Ford Tri-Motor airplanes in 1925.