

autotech *daily*TM

TUESDAY
APRIL 15, 2003
PAGE 1 OF 3

NAVISTAR, FORD SETTLE V-6 DISPUTE, RECALL POWER STROKE V-8

Navistar International Corp. says it has been compensated by Ford Motor Co. for a canceled V-6 diesel engine program. The new engine—originally scheduled to bow last year—had been delayed indefinitely, causing Navistar to take a large restructuring charge last fall to offset its investment to develop the powerplant and build a new production plant in Huntsville, Ala.

In its latest financial report filed with the U.S. Securities and Exchange Commission, Navistar says it now has received "appropriate recovery of excess costs" from Ford and that both companies are released from any other obligations of the original contract. The 4.5-liter engine, which was to have been used in Ford's F-150 pickup, Econoline 150 van and Expedition and Lincoln Navigator SUVs, was deemed "no longer viable" by the automaker due in part to more stringent emission standards.

The companies continue to work together on a 50-50 joint venture called Blue Diamond Truck Co. Navistar also supplies the 6.0-liter Power Stroke V-8 diesel used in Ford's F-Series Super Duty pickups and full-size Excursion SUV. That engine has just been recalled to replace a defective injection control pressure sensor and recalibrate the fuel injection and powertrain control modules.

CHRYSLER 300 CONCEPT LEADS LIST OF N.Y. DEBUTS

This week's New York auto show promises to be the coming out party for at least 16 new production vehicles and four concept models. Media days will be held tomorrow and Thursday.

Leading the list of new concepts is the Chrysler 300, which is expected to be a close approximation of the automaker's next-generation full-size sedans. Marking the end of Chrysler's signature cab-forward design, the rear-wheel-drive concept is a dramatic departure from the current front-wheel-drive 300M and Concorde models. The new sedans are expected to borrow some components from the Mercedes parts bin and include an optional 5.7-liter Hemi V-8 engine.

ADVERTISING FOCUS

AutoTech Daily targets the auto industry's product development community better than any other medium. For details, call Wendy Baca at:

(248) 355-7336

**TUESDAY
APRIL 15, 2003**

PAGE 2 OF 3

Among the production vehicles scheduled to debut are the high-performance Cadillac CTS V series, a new Isuzu SUV, Nissan's Pathfinder Armada full-size SUV and 350Z convertible, Toyota's next-generation Prius hybrid and an ultra-luxury sport wagon from Toyota's Lexus brand. Other new hardware includes Kia's first full-size sedan, the Chevrolet Malibu Maxx "extended sedan" and Saab's 9-3 convertible.

Ford Motor Co. also is expected to detail future product plans, including a revised strategy for its Lincoln brand. The luxury marque has been in limbo since it was pulled out of the company's Premier Automotive Group last year.

In addition to the 2004 replacement for the Rodeo it's showing, Isuzu also plans to announce a new SUV that will be introduced in 2006. And the company will highlight new engine technology it will begin using next year.

TITAN PLATFORM TO SERVE NISSAN WORLDWIDE

Nissan Motor Co.'s new full-size Titan/Pathfinder Armada body-on-frame truck chassis will provide the basis for several of the automaker's other SUVs and pickups in coming years, reports *Automotive News*. It says the architecture will replace two current body-on-frame platforms and be used for the 2005 Frontier small pickup, next-generation Xterra and Patrol SUVs, as well as several European-based models.

Vehicles in some markets, however, will continue to use existing platforms. This includes pickup trucks sold in Mexico and the current Xterra in South America, according to the newspaper.

Although the overall size and frame-rail thickness of the new body-on-frame trucks will vary, the vehicles will share the same basic floor layout, packaging and underfloor. As a result, Nissan expects to reduce development and manufacturing costs.

The automaker says the full-size platform is flexible enough to accommodate a solid-axle and leaf-spring rear suspension for the Titan pickup and coil-spring independent rear suspension for the Pathfinder Armada SUV. Both vehicles bow this fall.

Nissan chose to use leaf springs instead of coil units for the Titan to reduce packaging complexities and costs. It also wanted to go with a known commodity to ensure it could meet the towing demands required of full-size pickup trucks. The solid-axle design was similarly appealing for its heavy-duty reputation.

AN says Nissan also is mulling entry-level, 3/4-ton and four-wheel-steering variants of the Titan. The former likely would feature a V-6 engine instead of the 5.6-liter V-8 being offered in the initial King Cab and Crew Cab models. Nissan concedes it may have to develop its own diesel or outsource such an engine if it elects to pursue a 3.4-ton pickup.

DENSO, BOSCH FORM TELEMATICS JOINT VENTURE

Denso Corp. and Robert Bosch GmbH's Blaupunkt arm will launch a new joint venture next month to develop navigation and multimedia-related components for both parent companies, which will continue to produce and sell products separately. The 50-50 venture will be called Advanced Driver Information Technology Corp. and be based within Denso's Japanese headquarters in Kariya City.

The partners expect to realize time-to-market and cost savings by combining development efforts. They plan to focus initially on the development of next-generation large-

TUESDAY
APRIL 15, 2003

PAGE 3 OF 3

AUTOTECH DAILY
is a publication of
Hampton AutoBeat LLC,
Box 33068
Bloomfield Hills, MI
48303-3068

SUBSCRIPTIONS:
Paula Doan
(888) 771-6430
paula@autotechdaily.com

ADVERTISING:
Wendy Baca
(248) 455-7336
wjbaca@cbs.com

NEWS:
Steve Plumb
(610) 917-2276
steve@autotechdaily.com

scale integrated (LSI) circuits, multimedia-compliant software platforms and map data formats. Research and development is expected to begin in June.

At this point, the companies don't plan to co-develop navigation-specific software—only the basic enabling software. Each company will be responsible for its own display technology and final product development. LSI production will be outsourced.

The new operation will be capitalized at \$1.7 million and is expected to grow to 40 people by 2007. It will be headed by Shuichi Kosuge, currently Denso's chief engineer in charge of telematics. Michael Bolle will move from his position as R&D vice president at Bosch to vice president of the joint venture.

The companies expect sales of jointly developed products to total \$22.5 million per year by 2007. Each supplier currently has about 13% of the worldwide OEM/aftermarket navigation market. Denso, which introduced its first navigation system in Japan nearly 20 years ago, aims eventually to increase its global share to 25%.

Blaupunkt is based in Germany. To date, it has focused on high-end car radios.

SUPPLIER LAUNCHES IN-VEHICLE JUKEBOX

Perception Digital Ltd. says its new trunk-mounted MP3 system can store some 300 hours of music—the equivalent of about 5,000 songs—on its 20-gigabyte hard drive.

The digital system, dubbed the PDHercules Digital Recordable Car Jukebox, can convert a variety of audio sources into an MP3 format and is searchable by song, artist or album name. This includes CD, cassette, radio and voice, enabling users to create voice messages that can be played back later.

The system, which currently is available in the aftermarket, also can be taken out of the vehicle and either connected to a home entertainment system or used as a stand-alone system.

Perception Digital is based in Hong Kong and has a U.S. office in Santa Clara, Calif.

BMW DOMINATES AUTOMOBILE MAGAZINE READER'S CHOICE AWARDS

BMW AG vehicles nabbed top honors for five of the 14 categories in *Automobile* magazine's 2003 Readers' Choice "All-Star" awards for cars and trucks sold in America. Three other European makes—Volkswagen, Porsche and Ford's Land Rover—also were deemed best in class, as were two of Nissan's Infiniti models and one from Honda.

Only three vehicles from Detroit's Big Three automakers—the Chevrolet Corvette, Chevy Silverado/GMC Sierra pickup trucks and Chrysler Group Jeep Liberty SUV—made the list this year.

Automobile sent out ballots in January and will publish full results in its May issue. Winners of the individual categories are:

- Luxury Car over \$40,000: BMW 7-series
- Luxury Car under \$40,000: Infiniti G35
- Small Car: BMW Mini Cooper/Cooper S
- Family Car: Volkswagen Passat
- Sport Sedan: BMW M5
- GT: BMW M3
- Coupe: Infiniti G35 Sport Coupe
- Supercar: Porsche 911 turbo/GT2
- Sports Car: Chevrolet Corvette/Z06
- Large SUV: Land Rover Range Rover
- Midsize SUV: BMW X5
- Small SUV: Jeep Liberty
- Pickup: Chevrolet Silverado/GMC Sierra
- Minivan: Honda Odyssey