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Ford plays catch-up in bid for respect

By Daniel Howes (excerpt)

Forgive the folks running Ford Motor Co. if they feel a little like Rodney Dangerfield.

He's the ol' comic who constantly complained that he "got no respect," a familiar lament in Dearborn as the Blue Oval's long-in-coming restructuring continues to cloud investor sentiment and raise as many questions as it answers. There's a reason for that: Ford is following its cross-town rivals.

Fiat Chrysler Automobiles NV's legendary CEO, the late Sergio Marchionne, exited the U.S. car business three years ago, long before the market's trend toward trucks and SUVs was undeniable. He was ahead of his time, which is why Detroit's No. 3 automaker is planning to add manufacturing capacity and jobs this year, not cut both.

And General Motors Co.'s Mary Barra is reckoning with her excess North American plant capacity the only way she can right now. She's moving to drop most sedans from GM's U.S. lineup and close four plants in the United States and one in Canada, whatever the predictably furious pushback from politicians, communities and the United Auto Workers.

The net effect of all this ferment for Ford? Despite its own plans to winnow its salaried workforce and whittle its U.S. car offerings to the iconic Mustang and its souped-up variants, Ford suffers by comparison. That's an uncomfortable fact its leadership doesn't much like but can't easily deny.

"The shiny new thing — and everybody loves the shiny new thing — is not a 115-year-old company," Executive Chairman Bill Ford said last week at "The Final Word" event closing press days in advance of the North American International Auto Show's opening to the public.

"But the fact is we're actually making ourselves into the shiny new thing, and some people are starting to pay attention. As we get through this year, people will start to really understand what this is all about."

They're not there yet, as Wall Street signaled again this week in yet another tranche of opinions on where Ford is going, how it will get there and whether it's meeting expectations for transparency and speed. The answer: not so much. …

… And David Kudla, CEO of Grand Blanc-based Mainstay Capital Management LLC, said: "Wall Street remains unimpressed and disappointed and the stock price is showing it. Ford's stock price is suffering because it discounts the future and investors are unclear as to what the future is at Ford." …

… In that context, the Blue Oval is playing catch-up. The less than three-year tenure of former CEO Mark Fields wasted valuable time that his successor, Jim Hackett, is being forced to make up in what he calls a "redesign" of the core automotive business — a necessary precondition to optimizing the financial gearing needed to pay for the Auto 2.0 spaces of mobility, autonomy and electrification. …