

STOP PRESS



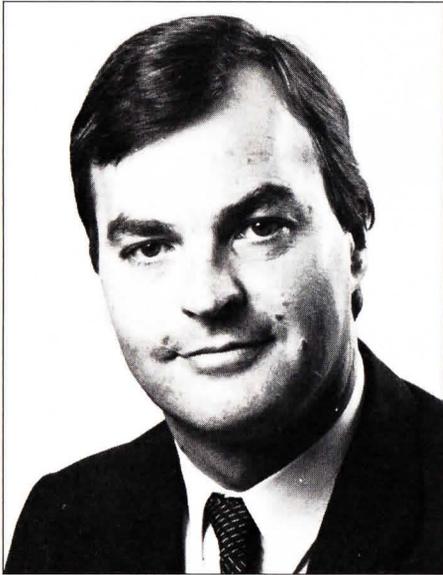
HOLDEN'S MOTOR COMPANY

Marketing Department Restructure

The restructure of General Motors' Australian operations has resulted in the formation of two new subsidiaries: Holden's Motor Company and Holden's Engine and Component Company. The dealer franchisor continues to be General Motors-Holden's Sales Pty. Ltd., and the current Lion/GMH logo will continue for product, communication and dealer identification purposes. Various organisational and key personnel changes were announced on December 5th, and this 'stop press' communication deals primarily with those within the Marketing Department of Holden's Motor Company.



*After a distinguished 35-year career with the Company, GMH Director of Marketing **Mr John Loveridge** is retiring. He congratulates his successor, **Mr Robert McEniry**, who takes on the mantle of Director of Marketing, Holden's Motor Company, on January 1, 1987.*



Mr Robert McEniry
Director of Marketing

Robert McEniry joined General Motors-Holden's in 1976. He is 39 years of age, married, and the father of two. He holds tertiary qualifications in Information Processing and Business Studies. He is also a Master of Business Administration (Melbourne University) and has undertaken courses in Strategic Planning at Northwestern University (USA and Switzerland).

Before moving to GMH ten years ago to take up the position of Business Management Manager (Vic. Zone), Mr McEniry had gained wide-ranging experience in sales analysis, computer systems, accounting, marketing and general management with such companies as Myer Southern Stores, Caterpillar of Australia and J. Broon's & Sons Pty. Ltd. His management responsibilities at GMH have included Export Development, Advertising, Merchandising and Staff Operations. More recently, Mr McEniry headed the Parts & Accessories Division, and his most recent portfolio, that of Product Program Manager, is one he will continue to hold as Director of Marketing.

“ There's one thing I must do here before anything else, and that's pay sincere tribute to John Loveridge. John has held the position of Director of Marketing since 1982, and through difficult times has consistently demonstrated leadership qualities of the highest possible calibre. Certainly he has provided me with an inspirational example, and I know that's a sentiment shared by his staff, the dealer organisation and the Company in general.

John is undoubtedly one of the best known and respected marketing executives in the business; the plans he has been responsible for developing during his period as Director of Marketing provide foundations upon which we can build with confidence. I salute him; his guidance and wisdom will be greatly missed. ”

1987 . . . AND BEYOND

“ One of the things I'm looking forward to doing as soon as possible after taking up duties on January 1 is getting out and discussing with Holden dealers our product programs, some of which I'll touch on briefly here, for 1987 and beyond. Providing the Holden Dealer organisation with clear marketing signposts is one of our major aims. The organisational changes covered here have been made with the basic objective of giving the Company much more marketing-oriented direction. There will be greater emphasis placed on cohesive marketing programs and long-range planning. To assist us in the achievement of those goals, we have divided the Marketing Department into five major groups:

- Vehicle Sales
- Marketing
- Parts and Service Marketing & Customer Relations
- Trucks
- Program Management

Through this internal restructure, we will achieve a greater focus on the specific activities of each group and facilitate higher levels of expertise. ”

VEHICLE SALES



Mr Geoff Davies
General Sales Manager

The major change for this department, which will be headed by Geoff Davies, is that the responsibilities for fleet and retail passenger and light commercial sales have been combined. It appears a logical move to bring these major segments together under the direction of one person, rather than splitting them as in the past. We intend to lend stronger support to the light commercial area and we will be looking at areas such as

increased personnel resources to support that activity as well as taking advantage of Isuzu-supported merchandising programs.

As far as the dealer organisation is concerned, we have every intention of ensuring that Holden's network remains undisputedly the best and strongest in Australia. Policies already in place, such as the trust program, support our determination to retain leadership in this area through the maintenance of well-located, well-supported operations. The dealer organisation, traditionally perceived — and rightly so — as the best in the business, can be assured that it will be operating in future from a position of increasing strength.

MARKETING



Mr John Crennan
Marketing Manager

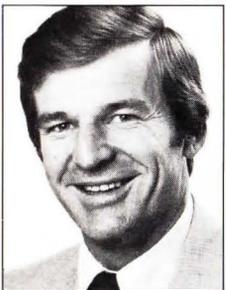
This newly formed group, to be managed by John Crennan, carries the responsibility of determining market strategies for all passenger and commercial vehicles. Its numerous tasks include forward product issues, specification requirements, market and economic analysis and strategic issues. It will be concerned with formulating short, medium and long-term marketing programs and has the job of clearly communicating specific

directions to the dealer network and acquainting it with our expectations.

This group will also be responsible for the merchandising activities of the company in developing and implementing all advertising and promotional strategies to the consumer.

A new appointment to this marketing group is Ms Margaret Weyl-Willett, who joins Holden's Motor Company as Analysis Manager. Margaret comes to this position with excellent qualifications including MBA, Master of Science, and BA degrees. She has worked with the Victorian State Government as Co-ordinator of Research, Planning and Technical Services with the Department of Youth, Sport and Recreation, and with the Executive Office of the Victorian Employment Commission. Margaret has also lectured at Footscray Institute of Technology.

PARTS AND SERVICE MARKETING AND CUSTOMER RELATIONS



Mr Ken Anderson
Executive In Charge, Parts, Service and Customer Relations.

Until now, Parts and Service have operated as separate entities. To ensure a co-ordinated planning and field activity focus now that each has put a range of specific programs in place, it makes management sense to dovetail their functions, channelling them in directions which will be beneficial both to the Company and the Dealer Organisation. Consequently, these operations are now combined under a

new Group Manager, Ken Anderson. An Economics Graduate, Mr Anderson, aged 40, has been with GMH for 18 years, during which period he has successfully managed a range of personnel activities locally and in the U.S.A. He has the task of more effectively integrating the marketing, sales and customer interface of this segment of the business.

In an increasingly competitive market, one of the key advantages Holden's can establish is in the crucial after-sales area. Total customer satisfaction, as we well know, is the most desirable goal of all, and the impact that these operations can have on buying decisions and perceptions of quality is high indeed. Both Service and Parts have already

taken significant steps forward with successful ongoing programs such as the Service Development System, Customer Assistance Service, Technical Assistance Service and extensive personnel training. Parts and Accessories now have a revised and wider-ranging distribution process and improved electronic communications.

The recently announced Holdenwise campaign is a combined parts and service long-term strategy, dedicated to improving brand loyalty and selection through customer satisfaction. It will provide Dealers with the opportunity to improve fixed operations sales and customer retention levels.

The paths taken by both departments, while not duplicating each other, are parallel and it therefore makes sense to pull them together.

Placing one person in overall control of this group allows us, internally, to manage the business and determine plans in a more efficient way. Three or four people, representing their respective departments, must be better positioned than the previously more disparate management to determine plans and set clear directions. We also recognise the after-sales area as an important dealer profitability item. It's one that we aim to improve by building up the image of the service/parts departments, both in the eyes of customers and in the minds of dealer personnel.

TRUCK SALES



Mr Dick Pugsley
Manager, Trucks

Truck sales will remain as a separate operating group within Marketing in recognition of its specialist status. This department stays under the control of Dick Pugsley, who has a continuing brief to improve market share and profitability through aggressive merchandising.

Isuzu, Japan's leading truck brand, has been very successful for us here and there's every reason to expect the situation to continue. The Isuzu product is well placed in key market

segments, with the all-new FSR range released just months ago enjoying a warm reception. This will soon be complemented by the FTR/FVR range, available in late March. These purpose-built up to 15 tonne GVM vehicles are designed to align directly with forthcoming road regulations.

Truck group management is continuing to develop a variety of effective programs, including the current well-received sales incentive effort, and we can expect continued strong results.

PROGRAM MANAGEMENT: This is essentially a new function, where one person takes fairly extensive responsibility for a total vehicle program in terms of piece costs, quality, instrument levels and so on. Keeping program management within the Marketing Department is of vital importance. It underlines the increasingly prominent role to be played by marketing in all future strategic decisions and ensures that every subsequent product program will be market-driven.

We will make certain that future products benefit from responsible marketing input based on careful planning. We're aware of the necessity to put a lot more effort into planning and to demonstrate a definite capacity to respond and adapt successfully to changing market conditions.

PRODUCT LINE-UP: 1986 has been a tough year for the entire Australian motor industry, and although the new year is also shaping up in challenging fashion, our model line-up in 1987, particularly the second half will be extremely competitive. We will have, in fact, the best-performing, most fuel efficient entry in each of the major price segments in the passenger vehicle area.

VL Commodore has been an outstanding success since its February introduction, overtaking Ford in the private sector of the market, and making remarkable gains in the business segments of the high price group. We're confident that this world class car will continue its success during 1987.

The new 2.0 litre fuel injected Camira to be introduced early next year will be the best performing vehicle in its class and promises to provide an improved volume opportunity. An all-new Astra car line, in both hatch and notch body styles, will also be introduced. This will be powered by Holden's Family II engines; a fact which along with greater product differentiation than currently exists between Astra and Nissan Pulsar, will give the product greater Holden ownership and a significantly improved volume opportunity.

The already top-performing Barina will be further enhanced by the availability of automatic transmission, and our entire passenger line-up is further supported by specialty models such as Commodore Group A, 3.0 litre turbo versions and V8s. This represents, without doubt, the best passenger range in Australia, and you can be assured that the advanced VN Commodore to be introduced in 1988 will see us even further ahead of the competition.

HOLDEN'S MOTOR COMPANY: EXECUTIVE APPOINTMENTS

Mr C.S. Chapman is appointed Managing Director. As a Vice President of General Motors Corporation he will also act as the Corporation's representative in Australia.

Other key appointments include:

Mr Ray Grigg, General Manager — Operations; **Mr Barry Ford**, Director of Finance. He replaces Mr Ken Clayton, who will remain in an organisational consultancy capacity; **Mr John Barlow**, Manager — Personnel & Industrial Relations; **Mr Kevin Wale**, Finance Comptroller.

The following senior executives continue in their current positions:

Mr Don Wylie, Director of Engineering, Design and Reliability; **Mr Roger Gibbs**, Executive in Charge of Planning; **Mr John Bremner**, Manager — Government Relations & Public Affairs; **Mr Phil Zmood**, Executive in Charge of Design.

The retirements are announced of several senior executives following distinguished careers with the Company:

Mr Ed Ellison, Deputy Managing Director & Director, Personnel Relations; **Mr Jim Lynch**, Director of Manufacturing; **Mr Ivan Deveson**, Director of Materials Management; **Mr Keith Moss**, Manager of South Australian Operations.

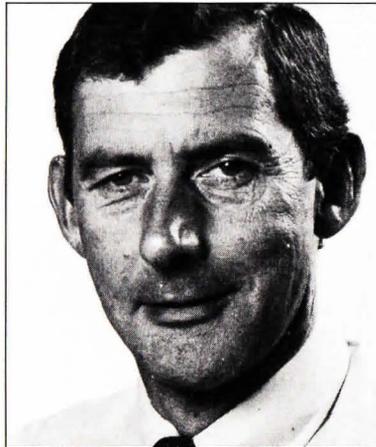


Mr C.S. (Chuck) Chapman, Managing Director, Holden's Motor Company, comments:

“It has taken many months of dedicated work by my fellow Directors and by a special task force to complete this company restructure.

The new management teams are in place through the determination of my Directors to help shape Holden's future. It took many tough decisions involving matters of great complexity to reach this point. I believe that the two new companies have the structure and management to give each the best possible base on which to build its future. I know that these teams will step up to the challenge and further strengthen Holden's position as a force in the market place and as a key contributor to Australia's economy, through both local activities and continuing export leadership.”

HOLDEN'S ENGINE AND COMPONENTS COMPANY: EXECUTIVE APPOINTMENTS



Mr P.G. (Peter) Thomas has been appointed Managing Director of the Holden's Engine and Components Company.

Mr Thomas, aged 45, has a long commercial background with GMH, including assignment (1978 to 1981) as Supply Manager to the GM New Zealand operation and a similar assignment within GMH in 1983.

In this new position, Mr Thomas will assume responsibility for all aspects of the Engine, Foundry and Components business including engine design and development, foundry and engine manufacture, and sales to GM and non GM organisations. He is particularly well placed to perform this role, having spent the past year as manufacturing manager of the foundry and engine plant.

Key executives supporting Mr Thomas are:

Mr I.W. Gale Manager, Engine Manufacturing
Mr S.D. Horrobin Foundry Manager
Mr E.G. Croll Manager, Engine Development and Sales
Mr E. Jaworski Finance Comptroller