

BIG TROUBLE FOR THE BIG THREE: AN AUDIENCE PERSPECTIVE OF THE
APPROPRIATENESS AND EFFECTIVENESS OF THE BIG THREE
AUTOMAKERS' IMAGE REPAIR STRATEGIES

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DEDICATION

To Robert for always believing in me. You have inspired me to become a better person and I cannot thank you enough for the encouragement and love that you have provided. To my mother and father for supporting me through all of my dreams and continually emphasizing the importance of an education. Finally, to Kate for listening to my frustrations and always helping me put my priorities into perspective.

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ABSTRACT

Lindsey B. Anderson

BIG TROUBLE FOR THE BIG THREE: AN AUDIENCE PERSPECTIVE OF THE APPROPRIATENESS AND EFFECTIVENESS OF THE BIG THREE AUTOMAKERS' IMAGE REPAIR STRATEGIES

The importance of image management has created the need to for organizations to continually work in order to improve their image or defend it against perceived threats. Since organizations engage in a constant struggle to preserve their reputation, it is important to understand the persuasive discourse associated with image repair strategies. In addition, a successful rhetor must also acknowledge the importance of perception of the appropriateness and effectiveness of the apologetic discourse from the perspective of an audience.

Focus groups were conducted and analyzed in order to better understand the perceived appropriateness and effectiveness of the image repair strategies employed by the Big Three Automakers as perceived by the audience. The findings of this study complement the original findings of Benoit and Drew's quantitative study assessing the appropriateness and effectiveness of image repair strategies in an interpersonal setting. However, there were observable differences between the studies in terms of the perception of both the appropriateness and effectiveness of bolstering and the effectiveness of differentiation. The implications of these differences can be important in developing a better understanding of the utilization of image repair strategies in the apologetic discourse of organizations. Specifically, the results demonstrate how the

audience determines the appropriateness and effectiveness of the strategies and how rhetors are able to successfully use different strategies based in context.

John Parrish-Sprowl, Ph.D., Chair

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INTRODUCTION

Image has been an important issue for rhetors throughout history. It is composed of the “perceptions of [a] source held by the audience, shaped by the words and acts of the source” (Benoit & Brinson, 1994, p. 76). As a result of this need to maintain their image, many people as well as organizations have started to view their “face, image or reputation [as] a valuable commodity” (Benoit, 1995, p. vii). This realization of the importance related to image management has created the need to for rhetors to continually work in order to improve their image or defend it against perceived threats. William Benoit (1995) explained that “human beings engage in recurrent patterns of communicative behavior designed to reduce, redress, or avoid damage to their reputation (or face or image) from perceived wrong doing” (p. vii). Since we, as rhetors, engage in this constant struggle to preserve our reputation, it is important to understand the persuasive discourse associated with image repair strategies as well as the perception of the appropriateness and effectiveness of the apologetic discourse from the perspective of an audience.

Purpose of Study

The purpose of this study was to better understand the perceived appropriateness and effectiveness of corporate apologetic discourse from the perspective of an audience. Specifically, research was conducted to highlight a) the persuasive overtone of image repair strategies, b) the importance of audience perception, c) the need for an appropriate response in terms of image repair discourse and d) the most effective image repair strategies that can be employed by an organization whose image is threatened.

Appropriateness and effectiveness are two critical terms that determine the success of image repair discourse. Benoit and Drew (1997) defined appropriateness and effectiveness as “two important dimensions of communicative competence [which] reflect whether the recipients of the accounts were offended or not (appropriateness) and whether the recipients were persuaded to restore the face of the transgressor (effectiveness)” (p. 157). These two terms are reflexive since they are dependent on one another. For example, in order for a response to be effective it must be appropriate to the situation and ultimately respond to the created exigence. Bitzer (1968) defined exigence as “an imperfection marked by urgency; it is a defect, an obstacle, something waiting to be done, a thing which is other than it should be” (p. 6). Therefore, it acts as a need that must be addressed in order to achieve resolution for a rhetor. An effective response would then be considered one that is viewed as appropriate in terms of the exigence and repairs any damage that was done to an image as a result of an offensive act. This process is overtly persuasive as it attempts to strategically alter the rhetor’s perception among a specific audience.

Persuasion

Persuasion is a major topic within the communication field. Benoit and Benoit (2008) defined it as “the process in which a source (persuader) uses a message to achieve a goal by creating, changing or reinforcing the attitudes of others (the audience)” (p. 7). Benoit and Benoit (2008) also identified several characteristics of persuasion. They explained that persuasion is a goal directed activity, that is accomplished through a process that involves people and can ultimately create, change or reinforce attitudes. Benoit and Benoit (2008) further described the process of persuasion by explaining that:

Persuasion begins with a person (the source or persuader), who has a goal. The source then creates a message which, in the source's opinion, will encourage others (the audience) to accomplish the source's goal. This message must be delivered to the audience, those who can help achieve the speaker's goal. If the message is effective, then the audience will comply with the speaker's wishes (pp. 8-9).

In terms of image repair, the speaker's goal would be to improve their perception among a given audience. This view of persuasion as a mutual process reinforces the need to better account for the target audience in terms of evaluating the appropriateness and effectiveness (or persuasiveness) of image repair discourse.

Audience

The persuasive goals of image repair strategies cannot be accomplished without accounting for the audience. As Benoit (1995) noted, "the actor responds to perceived threats to his or her character. These attacks are important to the actor when they are believed to reduce the rhetor's reputation in the eyes of a group (audience)" (p. 82). Because of these perceptions, a rhetor becomes compelled to positively alter the perceptions of the audience in terms of their perceived wrongdoings.

Benoit (1995) further identified two audiences that are present in all image repair discourse. The first category is the external audience, which "consists of those whom the accused is most concerned with restoring his or her face" (p. 82). Within this audience are three possible groupings. The accused can focus their image repair discourse only on the "person who objected to the apologists behavior, or the accused can address their apologia to the "accuser and others aware of the accusation" or the accused can only address those who are aware of the accusations and largely ignore the accuser. A second audience can be the rhetor, this is commonly considered to be an internal audience. Because the audience's perceptions of the accused serves as the exigence for image repair

discourse, the audience becomes an important factor and must be carefully considered prior to determining how to respond to threats to a rhetor's image.

Image Repair

When offensive acts occur, they can threaten or damage the image of an individual or organization. It is then necessary to defend oneself against the charges in order to repair their image. According to Heath (1992), "through rhetoric, individuals and organizations negotiate their relationships. To do so, they form opinions of one another, decide on actions, set limits, and express obligations that influence how each is to act toward the other" (p. 18). These actions can then threaten or repair an image. As Heath (1992) explained, these can be used in order "to achieve compliance, goodwill, understanding, appreciation, and action...to create images and manage reputations" (p. 18). These uses of persuasive rhetoric clearly demonstrates the reflexive nature of communication and therefore of image repair strategies.

Benoit (1995) noted that reasons for committing an offensive act include, limited resources, circumstances beyond our control, humans are imperfect and competing goals. He also identified two assumptions that form the theory of image repair strategies. The assumptions claim that communication is a goal-directed activity that is used to maintain a positive reputation (Benoit, 1995, p. 63). Heath (1992) explained that the process of communication is "made meaningful by acknowledging that it assumes the assertion of self interest" (p. 18).

Benoit and Drew (1997) also noted that in order for a communication act to be considered an accusation, it must meet two criteria. First, the accused must be responsible for the act in question or at least perceived to be responsible by an audience.

Second, the act must be considered reprehensible. If these two criteria are met, an individual or organization would then be responsible to respond to the allegations in order to repair its image.

LITERATURE REVIEW

Rhetorical Criticism and Apologia

The concept of image repair can be traced back to Aristotle. In *The Rhetoric* (1954), Aristotle explained that communication is a goal directed activity (Benoit, 1995, p. 63). One of the goals of communication is to maintain a positive reputation since it is assumed that humans would like to have a positive image. Aristotle then identified three types of speech, political, judicial and epideictic (Aristotle, 1954) all of which had a different purpose. The epideictic genre is most closely related to the concept of image repair since it is concerned with whether a person was “worthy of praise or blame” (Benoit, 1995, p. 64).

Based on Aristotle’s analysis, Ware and Linkugel developed the theory of apologia, which is also known as a speech given to defend one’s self. In “They Spoke in Defense of Themselves: On the Generic Criticism of Apologia,” Ware and Linkugel (1973) explained that, “in life, an attack upon a person’s character, upon his worth as a human being, does seem to demand a direct response” (p. 274). This statement established an exigence for the use of apologia and eventually the need to utilize image repair strategies. Ware and Linkugel (1973) also identified four strategies for self-defense, denial, bolstering, differentiation and transcendence. These four factors have been added to by other theorists; however, they remain an integral part of modern concept of image repair strategies.

Ware and Linkugel (1973) defined denial as “the simple disavowal by the speaker of any participation in, relationship to, or positive sentiment toward whatever it is that repels the audience” (p. 276). The idea behind this strategy is that the accused may be

able to restore their image if they are distanced from the offensive act (Benoit, 1995).

The denial of bad intent is also included under Ware and Linkugel's denial strategy. This claims that the offensive act was committed with good intentions as opposed to being performed with ill intent.

According to Ware and Linkugel (1973), bolstering is a rhetorical strategy, in which the rhetor attempts to "identify himself with something viewed favorably by the audience" (p. 277). This strategy attempts to "counterbalance or offset the audience's displeasure by associating the speaker with a different object or action, something for which the audience has a positive affect" (Benoit, 1995, p. 12). Based on the definition and discussion of bolstering, connections can be made to the theory of cognitive dissonance, which "proposes that individuals seek balance, or consistency, in their lives" (Borchers, 2005, p. 45). So, the strategy of bolstering is similar to cognitive dissonance since they both attempt present a positive association, which will hopefully restore balance to the audience and minimize the effects of the offensive act that occurred.

The final two strategies, differentiation and transcendence are closely related as each look at the context in which the act occurred, but there are some notable differences. Differentiation attempts to separate "some fact, sentiment, object or relationship from some larger context in which the audience presently views that attribute" (Ware & Linkugel, 1973, p. 278). The final strategy of self-defense is transcendence, which is an attempt to join "some fact, sentiment, object or relationship with some larger context within which the audience does not presently view that attribute" (Ware & Linkugel, 1973, p. 12). This strategy allows the rhetor to place the act in a different context which can suggest that the act was completed in accordance with values (Benoit, 1995, p. 78).

So, differentiation tries to look at the event separately while transcendence tries to place the act into a larger setting.

Ware and Linkugel (1973) noted that these strategies are usually paired together. This pairing creates four apologetic stances of self defense. The first stance is absolute, which is the use of denial and differentiation. In this strategy the accused hopes to receive some form of acquittal. The second stance is vindictive, which is the combination of denial and transcendence. Besides maintaining image, this stance hopes to acknowledge the rhetor's worth as a person. Next, is the explanative stance, which utilizes both bolstering and differentiation. This strategy is used when an explanation of the rhetor's motives, beliefs and actions may help the audience understand why the offensive act occurred. Finally, the fourth stance is justificative, which occurs when the rhetor uses the strategies of bolstering and transcendence. This stance builds upon the explanative stance in that it seeks understanding and encourages approval for the offensive act (Ware & Linkugel, 1973).

Burke's Theory of Purification

Ware and Linkugel's theory of apologia incorporated similar elements of Kenneth Burke's theory of dramatism. Dramatism is used to describe the use and misuse of symbols by humans. In this theory, Burke explains how language can be used as a strategic tool to create a reality. Burghardt (2005) confirmed this notion when he noted that Burke views language as reality and therefore, "language reflects as well as influences a rhetor's attitudes, values, and world view" (p. 187). Burke's theory of dramatism contains four features that relate to image repair; negative, hierarchies, perfection and guilt.

One motive to Burke's concept of dramatism is guilt, which derives from the negative, hierarchy and perfection since they are capable of producing guilt. Burke (1970) explained that guilt is an "undesirable state of affairs, an unpleasant feeling, which occurs when expectations concerning behavior are violated, as they inevitably are" (Benoit, 1995, p. 18). The terminology is different, but Burke's notion of guilt is the offensive act that creates the exigence needed to employ image repair strategies.

The guilt created through the negative feature of dramatism is specific to moral action (Borchers, 2005). The type of guilt created by the hierarchy feature is caused by not achieving a certain status or not conforming to the rules of hierarchy. The expectations are used to establish hierarchy within society and are continually violated because humans are imperfect and therefore are capable of committing offensive acts. Guilt can be both individual as well as societal. Individual guilt occurs when the individual is "moralized by the negative" (Borchers, 2005, p. 195). Societal guilt happens when an act threatens or damages our collective society.

Since Burke studied the construction of guilt, it is not surprising that he also examined ways to reduce its effects through a concept he named purification. Purification is closely related to the current theory of image repair as it consists of two strategies that are used to minimize guilt as a result of misusing symbols (Borchers, 2005). The first purification strategy is the tragic, which is also known as terms for order. The tragic strategy looks to redeem a rhetor through punishing or removing the guilty party. This is demonstrated when an actor is sentenced to prison because of his involvement in the offensive act. The second strategy is the comic, which acknowledges that everyone is capable of making mistakes that can lead to guilt. This strategy occurs

when the responsible party is ridiculed and then pressured to change their ways. An example of the comic form of purification occurs when an actor appears on a late night show or Saturday Night Live in order to address the offensive act.

According to Borchers (2005), purification is achieved when the individual responsible for the guilt accepts responsibility – mortification – or when that person scapegoats someone else – victimage – by placing blame on him or her” (p. 198). Burke identified two processes for achieving purification or restoring a rhetor’s reputation, these are victimage and mortification. Victimage, which is associated with the tragic, occurs when “guilt is shifted from the rhetor to the victim and the rhetor’s reputation is cleansed” (Benoit, 1995, p. 18). Based on this definition, victimage is another term for the act of scapegoating or blame shifting. Mortification is another process discussed by Burke (1970) in order to minimize guilt. Mortification, which is associated with the comic, occurs when the accused accepts responsibilities for the offensive act and offers an apology to the audience. Purification is achieved if a rhetor’s reputation is restored or redeemed. If this does not happen, additional purification strategies will need to be employed.

Ryan’s Concept of Kategoria-Apologia

Another theory that helped to define image repair strategies is Ryan’s concept of kategoria-apologia, which examines the defense in terms of the attack. The term kategoria refers to the specific attack that acts as the exigence for the response. While apologia refers to the defensive strategies employed in order to restore the rhetor’s reputation. He noted that “the critic cannot have complete understanding of accusation or apology without treating them both” (Ryan, 1982, p. 54).

In his theory of *kategoria-apologia*, Ryan (1982) distinguished between two types of accusations, policy attacks and character attacks. This concept was originally noted by Kruse (1981) as she critiqued Ware and Linkugel's theory of *apologia*. However, Ryan's acknowledgement of the different type of accusations created the need to account for the type of accusation in order to counter the attack.

Ryan also noted three stases of fact in his theory (Benoit, 1995). These are definition, quality and jurisdiction. He then explained them in terms of Ware and Linkugel's stances of self-defense, which are denial, bolstering, differentiation and transcendence. Obviously, Ryan (1982) and Ware and Linkugel (1973) use the term denial to claim that the rhetor did not commit the offensive act. Quality refers to the positive intentions the accused had for committing the offensive act. This is similar to Ware and Linkugel's use of the term transcendence. Finally, the term jurisdiction is used when the accused actions were intended to appeal to a different audience. This corresponds to Ware and Linkugel's concept of differentiation where the rhetor attempts to "distinguish the act performed from similar but less desirable actions" (Benoit, 1995, p. 77).

The theory also explains that not all accusation require a response. Some rhetors have attempted ignore accusations while others shift attention away from an offensive act. Ryan (1982) also noted that some acts may be forgotten or may not be important to the audience and therefore, does not require a response. This all corresponds well to his notion that in order to successfully create a defense, the rhetor must take into account the situation.

Current State of Image Repair Strategies

Benoit's (1995) theory of image restoration builds upon and integrates the work of Ware and Linkugel, Burke and Ryan. It is based upon the premise that "when our image is threatened, we feel compelled to offer explanations, defenses, justifications, rationalizations, apologies or excuses for our behavior" (p. 2). In this theory, Benoit, attempted to "describe the major strategies for dealing with actual, perceived or potential damage to one's reputation" (p. ix) he then illustrated the application of the strategies and corresponding tactics through several case studies. However, Benoit later realized that the name, image restoration strategies, did not accurately describe the effects of the strategies since one could not always fully restore their image to the previous state (Benoit, 2000). Therefore, image restoration strategies underwent a name change to image repair strategies when Benoit decided that the term repair better described the effects of the strategies.

Benoit and Image Repair

Benoit (1995) developed a comprehensive theory to address threats and damages to one's image. He was able to build upon the work of Aristotle, Ware and Linkugel, Burke and Ryan, and by in doing so, he detailed five strategies used to restore image. These include, denial, evading responsibility, reducing offensiveness, corrective action and mortification. Within several of the strategies, are corresponding tactics. These tactics are often employed in order to support the overarching image repair strategy. Benoit's typology includes the five general strategies and twelve tactics. It is important to note that some strategies like mortification and corrective action have no supporting tactics while denial, evasion of responsibility and reducing offensiveness all have several

sub-forms. This differentiation between general strategies and specific tactics can be confusing and may possibly lead to hasty generalizations about the overall effectiveness of an employed strategy. As Benoit and Drew (1997) explained the current “research on image repair [usually] focuses on general image repair strategies” as opposed to making the distinction between the overarching strategies and corresponding tactics (p. 154).

The identified image repair strategies are to be used when a rhetor’s image has been threatened and therefore, serves as the “motivation to offer explanations, defenses, justifications, rationalizations, apologies or excuses” in response to the perceived offensiveness of the act in question (Benoit & Brinson, 1994, p. 76). Denial and evasion of responsibility are two strategies that are used to deflect responsibility. Whereas, reducing the offensiveness of the act or initiating corrective action can be used to minimize the attack. Finally, mortification can be used to acknowledge and accept responsibility for the act (Borchers, 2005).

Denial is the first image repair strategy that is discussed by Benoit. Denial happens when “the accused denies that the offensive act actually occurred or that he or she performed it” (Benoit, 1995, p. 75). Denial can also be accomplished through the tactics of simple denial and shifting the blame to another individual or organization (Benoit, 1995, p. 75). Blame shifting is an effective tactic since it deflects negative feelings of the audience and answers the question, “if you didn’t do it, who did?” (Benoit, 1995, p. 75).

Table 1	
Image Repair Strategies and Corresponding Tactics	
Strategies	Tactics
1. Denial	Simple Denial Blame Shifting
2. Evasion of Responsibility	Provocation Defeasibility Accident Good Intentions
3. Reduction of Offensiveness	Bolstering Minimization Differentiation Transcendence Attack the Accuser Compensation
4. Corrective Action	
5. Mortification	
(Benoit & Drew, 1997)	

Benoit (1995) noted four tactics used to evade responsibility. First, provocation can be used. Here the accused would “claim that the act in question was performed in response to another wrongful act” (Benoit, 1995, p. 76). The second tactic is defeasibility or the idea that the accused “lacked information about or control over important elements...that caused the offensive act” (Borchers, 2005, p. 267). Third, the accused can claim that the act was accidental or something that the accused could not control. Finally, intentions can be explained to determine if the motive justified the action.

Reducing offensiveness is the third strategy Benoit discussed. This strategy is used to reduce the negative feelings of the audience, but does not deny that the accused

performed the acts in question. This strategy is comprised of six tactics. First, bolstering can be utilized. This is used to improve the audience's perception of the accused. Second, the accused can use minimization, which attempts to "reduce the audience's negative impression of the offensive act" (Borchers, 2005, p. 267). The third tactic of reducing offensiveness is differentiation or attempting to "distinguish the act performed from similar but less desirable actions" (Benoit, 1995, p. 77). This method uses direct comparisons to make the act seem less offensive. Fourth, the accused can use transcendence. This tactic places the act in a different context which can suggest that the act was completed in accordance with values (Benoit, 1995, p. 78). Another tactic used to reduce the offensiveness of an act is to attack the accuser. This, in turn, can damage the credibility and therefore the argument of the accuser. Finally, compensation, or the reimbursement to the victim for damages incurred, can be used to reduce the offensiveness of the act.

Corrective action is an image repair strategy that attempts to "either to repair the damage caused by an offensive act or to prevent reoccurrence of the offensive act or both" (Borchers, 2005 p. 267). This can be accomplished by restoring the situation or making changes to prevent reoccurrences (Benoit, 1995, p. 79).

The final image repair strategy is mortification, which "requires accepting responsibility for the action and asking for forgiveness" (Borchers, 2005, p. 267). However, Benoit (1995) warned that the apology must be sincere in order for the audience to pardon the act.

Table 2	
Image Repair Tactics and Specific Claim	
Tactics	Claim
1. Denial	
Simple Denial	Rhetor did not perform the offensive act
Blame Shifting	The act was performed by someone else
2. Evasion of Responsibility	
Provocation	The act was in response to another act
Defeasibility	The rhetor lacked information or ability
Accident	The act was not intentional
Good Intentions	The act was done with good motives
3. Reduction of Offensiveness	
Bolstering	The rhetor stresses positive characteristics
Minimization	The rhetor claims that the act was not serious
Differentiation	The act was less offensive than another act
Transcendence	The act was completed in a larger context
Attack the Accuser	Attempt to reduce the credibility of the accuser
Compensation	Reimburse the victim for any damages
4. Corrective Action	Plans to prevent reoccurrences
5. Mortification	The rhetor apologizes and asks for forgiveness

(Benoit, 1997)

Image and Crisis Management

Image repair strategies are utilized in a variety of settings and situations. First of which is image management. Benoit (2000) defined image as “the perception of a person (or group, or organization) held by the audience, shaped by the words and actions of that

person, as well as by the discourse and behavior of other relevant actors” (p. 40). Image management is closely related to image repair strategies in that it may enhance the use of some defense strategies or make them less essential. It hopes to build a positive perception of the rhetor in order to establish a relationship with its audience. Therefore, the goal is that an entity with a positive image may not be as affected by a crisis or accusation.

This brings us to crisis management, which is also closely related to Benoit’s image repair theory. A crisis is defined as “a generally predictable series of events that occurs when an organization’s values are under assault by an external agent or there is a perception that the organization has committed some wrong doing” (Hearit & Courtright, 2003, p. 83). Based on this definition, it is most often applied in organizational settings. Research has been completed in terms of organizations response to a crisis including Benoit and Lindsey’s (1987) account of Tylenol’s corporate response to its “bottle-tampering crisis” and Foss’s (1984) analysis of Chrysler’s corporate rhetoric during a financial crisis” (Meisenbach & McMillian, 2006, pp. 114-115).

Crisis management hopes to apply defense strategies in order to repair or maintained a threatened image. Hearit and Courtright (2003) explained that “a crisis progresses through discernable stages, organizational actors attempt to exert terminological influence in order to symbolically “resolve” the crisis by argumentatively altering perceptions in a manner favorable to organizational interest” (p. 83). Based on this process it is very easy to draw connections between crisis management and image repair strategies.

In his discussion about crisis management, Benoit (1997) examined the differences and similarities between organizational and individual apologia in order to provide recommendations for handling crisis communication. First, organizational image repair may employ different strategies based on the structure of the entity. Second, organizations usually have a greater amount of resources at their disposal. Finally, organizations may use strategies in order to minimize potential litigation as a consequence of the offensive act. However, Benoit (1997) ultimately agreed that the same basic image repair strategies can be applied to both instances since the exigence is ultimately the same. Benoit (1997) noted that both organizations and individuals need to account for the nature of the accusations. They also need to understand that there is no need for defense strategies to be employed if the audience doesn't consider the act to be offensive or if the audience doesn't believe that the rhetor is to blame. Finally, whether an individual or an organization, it is imperative to identify the key audience.

Through his assessment of crisis communication at the organizational level, Benoit (1997) further provided specific suggestions for utilizing image repair strategies which includes a general understanding of persuasion, admission of fault (if the organization is guilty of performing the offensive act), shifting blame, incorporate the tactic of defeasibility, set forth plans for corrective action, do not use minimization in the face of a serious problem and use multiple strategies in the overall image repair campaign. Benoit concludes that the "powers of persuasion are limited" (p. 185) Therefore, image repair strategies cannot work in every situation of crisis communication.

Corporate

Closely related to the concepts of image management and crisis management is the corporate apology, which is the first of four categories of image repair strategy applications. Based on the existing research, corporate apology must appear to be sincere in order to be accepted by a company's public. If management appears to be too involved, this could make any defense attempt appear contrived and therefore insincere.

Besides the need for sincerity, the unifying factor of corporate apology appears to be minimization. If an organization is not able to deny the charges, the next step seems to be to minimize the damage created by either downplaying the event or by employing corrective action.

The review of corporate apology will begin with Benoit and Brinson's (1994) analysis of AT&T's apology after a prolonged service interruption on the east coast. Initially, AT&T executives attempted to deny the offensive act by shifting blame to lower ranking employees. However, this strategy was not well received by its public and forced AT&T try another strategy in order to repair its image. Next, AT&T minimized the attack by applying corrective action to the situation, which ultimately forced it to accept blame for the service disruption.

The next case that was examined is Benoit's (1995) article about Coke and Pepsi. Between 1990 and 1992, Pepsi made accusations that Coke gave McDonald's unfair advantages and treatment in order for McDonald's to serve Coke in its restaurants. Pepsi also claimed that it tasted better than Coke according to taste tests. In order to respond to these claims, Coke implemented several strategies. First, Coke used simple denial in order to deny charges of favorable treatment. Next, Coke attempted to reduce the

offensiveness of the accusations through bolstering, transcendence and counter attacks. In order to transcend the charges Coke made the claim that based on sales, Coke is better than Pepsi, which was seen as a stronger argument than Pepsi's taste test. Ultimately, Benoit determined that Coke's defensive strategies were more effective than those employed by Pepsi.

To conclude the discussion of corporate apologia, Benoit's (1995) review of Exxon was analyzed. In 1989, Exxon-Valdez caused an oil spill in Alaska. Exxon applied many strategies in order to repair its image. First, it attempted to deny the offensive act through two forms of blame shifting. Exxon blamed the captain of the tanker, Joseph Hazelwood, of drinking while commanding the boat, which ultimately caused the oil spill. Exxon also tried to blame the U.S. Coast Guard for delaying the cleanup of the oil spill which increased the damages. In order to reduce the offensiveness, minimization was used in order to make the accident appear less serious than it was initially reported and bolstering was used to make the company's clean-up efforts appear more positively. Finally, Exxon utilized corrective action by implementing random drug and alcohol tests and repairing the damage caused in Alaska. After his analysis, Benoit concluded that Exxon's defense was not successful because it did not appear to be a sincere effort from the management.

Celebrity

Celebrity apologia is the second category of image repair applications. In order to illustrate this genre, three case studies that employed image repair strategies were selected. These three cases encompass a variety of offensive acts, yet all three employ some form of bolstering, in order to improve the perception of the accused. Based on the

previous research on celebrity apologia, it can be argued that the unifying strategy of is bolstering and the following three cases exemplify this point.

The first case that was reviewed was Benoit and Hanczor's (1994) analysis of the defense utilized by Tonya Harding after she was accused of being involved in the attack on fellow figure skater, Nancy Kerrigan. In "The Tonya Harding Controversy: An Analysis of Image Restoration Strategies," Benoit and Hanczor (1994) identify several strategies that Harding used in order to repair her image. First, she tried to deny any involvement in the case through simple denial and blame shifting. She claimed that she had no knowledge of the impending attack on Kerrigan and shifted the blame to her ex-husband, Jeff Gillooly. Second, Harding tried to evade responsibility through defeasibility by claiming that the offensive act occurred too quickly and that is why she didn't go to the police. As an Olympic athlete, she tried to reduce the offensiveness of the attack by bolstering herself by discussing her hard work and athletic achievements. After their analysis, Benoit and Hanczor (1994) concluded that the defense employed by Harding was not successful because she was caught in lies and therefore appeared to be insincere.

Next, Benoit's (1997) article about the Hugh Grant scandal was examined. In 1997, the British actor was arrested while with a prostitute. Benoit (1997) found that Grant attempted to reduce the offensiveness of this act through bolstering. Ultimately, Grant was required to use mortification in order to accept responsibility for his actions and apologize to his public. After his analysis, Benoit (1997) concluded that Grant's defense was successful because his apology appeared to be sincere and the public

respected the fact that Grant was able to admit his mistakes. However, Benoit thought that the use of corrective action may have made his defense stronger.

Finally, Benoit and Anderson's (1996) analysis of the Murphy Brown altercation with Dan Quayle was reviewed. In this case, the former vice president, Dan Quayle, criticized the television character, Murphy Brown, for glamorizing single motherhood. In order to respond to these allegations, Candace Bergen, the actress that played Murphy Brown, denied the fact that the show was in anyway making single motherhood appealing. She tried to reduce the offensiveness of the act by bolstering herself and the show and counterattacking Quayle. Bergen was also fortunate to have the show as a platform to make her case. She was able to use humor as part of her defense, which was viewed as successful by Benoit and Anderson. This case was selected as the concluding example of celebrity apologia because it transitioned nicely into political apologia.

Political

Political apologia has been a popular area in the research of image repair. Within political apologia is presidential apologia which focuses on the Commander and Chief. Specifically, three presidents have emerged as major topics within image repair; Richard Nixon, Ronald Reagan and Bill Clinton. Based upon the existing research, it appears that the unifying strategy employed in political apologia is denial either through simple denial or blame shifting. In addition, image repair attempts appeared to be more effective when the rhetor is able to identify with the audience. This idea may be supported by the apparent success of Nixon's "Checker's" speech and the failure of his Watergate address. In this section two cases that focus on Nixon and one that looks at Ted Kennedy will be presented.

Rosenfield's (1968) analog on Nixon's "Checker's" speech. In 1952, Nixon was accused of misusing a secret campaign "slush" fund. In response to these allegations, Nixon delivered his infamous "Checker's" speech. In his speech, Nixon used the strategy of denial in order to deny the charges so that he could remain on the Eisenhower presidential ticket. One reason this speech was so successful was because he identified with his audience. Nixon's use of image repair strategies in this instance was effective, as can be seen in his continued political career.

Through his analysis of Nixon and Truman's image repair discourse, Rosenfield (1968) identified four descriptive qualities. First, the discourse is "likely to be a part of a short, intense, decisive clash of views" (p. 449). Second, an attack on the opponent is a characteristic of image repair discourse. The third quality is "a concentration of data in the middle third of the speech (Benoit, 1995, p. 11). Finally, Rosenfield (1968) noted that repeating arguments is a constant in image repair discourse.

Next, Benoit's (1988) analysis of Kennedy's Chappaquiddick scandal was reviewed. Kennedy was forced to deliver a speech that addressed his involvement in a fatal car crash that killed Mary Jo Kopechne and his failure to report the accident in a timely manner. Kennedy employed a blame shifting in order to deny the offensive act; however, he did not deny that the accident occurred. Instead he blamed the road conditions for causing the accident and the resulting concussion and exhaustion as the reason he did not report the accident. This was an interesting strategy that seemed to be fairly effective since he was able to maintain his political career. However, his reputation was damaged enough that he could never make a legitimate run at the presidency.

Finally, Kahl's (1984) article about Watergate was examined. This case was selected because it differentiated between written and spoken apologia. In this example, Nixon was accused of planning and executing a break in at the Democratic National Headquarters in the Watergate Hotel. Kahl (1984) analyzed the image repair strategies employed by John Dean, one of Nixon's cohorts. In his books, *Blind Ambition* and *Lost Honor*, Dean implemented denial as well as the strategies of differentiation and transcendence in order to reduce the offensiveness of his involvement in the Watergate scandal. Kahl (1984) concluded that Dean's defense was not effective. However, she did note the importance to distinguish between written and spoken apologia.

Religious

Religion has been a major source of apologia throughout history. In this section, three cases where image repair was applied to a religious official will be discussed. In all three examples, the accused used transcendence in order to justify their actions. Transcendence appears to be the overarching strategy in religious apologia as Blaney and Benoit (1997) confirm that transcendence may be the default defense strategy for religious apologia since "it might permeate such communication by its very nature" (p. 30).

In 1987, Jim Bakker resigned from his position as head of the Pentecostal Assembly of God and PTL. Jerry Falwell then assumed the role as Chairman of the PTL board. After the transition, Bakker made accusations the Falwell had stolen the ministry through lies of an impending takeover by Jimmy Swaggart. In order to defend himself, Falwell broadcasted an episode of his television program entitled, From the Pastor's Study, on the PTL network that addressed Bakker's claims. Brown (1990) analyzed the

episode of From the Pastor's Study and concluded that Falwell successfully applied the image repair strategies of bolstering and transcendence in order to explain his actions and seek approval from his audience. This pairing of strategies is what Ware and Linkugel (1973) referred to as a justificative stance, which is used in order to “move the audience away from the particulars of the charge to at hand in a direction towards some more abstract, general view of his character” (p. 280).

In 1999, Holy Cross Father, James Tunstead Burthchaell was forced to defend the Papal Apostolic Constitution, the *Ex Corde Ecclesiae* when charges were made that the document was flawed. The accusers were prominent figures in the Catholic education system. The first accuser was the Chancellor of Boston College, Donald Monan, S. J. and the second accuser was the President of Notre Dame, Edward Malloy, CSC. In order to defend the document, Burthchaell used a variety of image repair strategies. First, he employed simple denial by claiming that the document was not problematic. Then he attempted to reduce the offensiveness of the act by attacking the accusers. Finally, like most religious figures, he used transcendence by arguing for “the higher purpose of ‘truth’ over the diversity of views manifest in pluralism and dissent (Blaney, 2001, p. 102). Blaney (2001) concluded that Burthchaell’s defense strategy was ineffective because of the conflict between the pairing of denial and transcendence. Also, Blaney (2001) noted that Burthchaell did not respond to allegations and did not address the correct audience in his image repair discourse.

In 1997 Blaney and Benoit examined the Gospel of John in order to identify the image repair strategies employed by Jesus Christ. They found that Jesus attempted to reduce the offensiveness of his actions through transcendence. According to Blaney and

Benoit (2001), Jesus' actions were an attempt to "expand religious and moral consciousness" (p. 23). They explain that "transcendence can be an especially apt strategy for those who defend theological doctrines" (p. 30). They also noted that in dire cases, Jesus was forced to use simple denial in order to counter damning charges, like blasphemy.

Criticism of Image Repair Strategies

Benoit's theory of image repair appears to be universal in the sense that the strategies can be used in a variety of situations that range from private individuals to powerful corporations. We utilize these strategies everyday to maintain our reputation, sometimes without even realizing what we are doing. However, there is some criticism of the theory and its application that must be discussed in order to suggest future directions.

Burns and Bruner (2000) criticized several components of Benoit's image repair theory in their article entitled, "Revisiting the Theory of Image Restoration Strategies." Specifically, they acknowledged that the theory may be "constrained by its current language and mental representations and even invites misinterpretations" (p. 27). They also noted that the theory is linear in nature and does not take into account the point of view of the audience. Burns and Bruner (2000) did offer some suggestions in order to improve the theory of image repair. First, they suggested that the researcher expands the frame in order to provide additional background on the accused. Second, they suggested that the researcher needs to detail the "fragments, themes, and issues from the perspective of significant audience(s)" (p. 34). Third, they encouraged "assessment of effectiveness

and methodological issues” (p. 34). Finally, Burns and Bruner (2000) suggested that structural factors are analyzed to account for factors outside of discourse.

Benoit (2000) wrote “Another Visit to the Theory of Image Restoration Strategies” as a response to Burns and Bruner’s criticism. In this article, Benoit (2000) agreed that the audience needs to be taken into account and notes that he has always valued their perspective. First, Benoit noted that the audience ultimately defines an image through its perception of a person, group or organization. Second, Benoit (1995) explained that the rhetor is forced to respond to accusations only if “the relevant audience *believes* the actor to be the source of the reprehensible act” (p. 72). Benoit (2000) also mentioned that a given situation may require that multiple audiences be addressed and that the current theory attempts to “determine the audience’s (or audiences’) likely reaction to the discourse (p. 41). Again, acknowledging the importance of the audience in image repair discourse.

In the article, “Appropriateness and Effectiveness of Image Repair Strategies,” Benoit and Drew (1997) recognized the limitations of current image repair research. They noted that “our understanding of how accounts function to restore one’s image is unfortunately hampered by concerns that limit comparison of the results of these studies” (p. 153). They identified four reasons for this lack of interconnectedness of results. First, there are several common typologies for image repair strategies; this lack of consistency makes comparisons more difficult. This criticism would suggest that a unified vocabulary needs to be established in order to reduce confusion around terms and to be able to make direct comparisons between findings. Second, only certain strategies are detailed in research and therefore all of the strategies are not included and are unable to

be compared since they are not the same. As Benoit and Drew (1997) explained, “this piecemeal approach inevitably makes integration of the various results problematic” (p. 154). Third, “specific verbal image repair utterances are used in studies, but conclusions are drawn at a more general level” (Benoit & Drew, 1997, p. 154). It is then assumed that the conclusions reached about the effectiveness of one tactic are then applied to the overall effectiveness of the overarching strategy. Finally, some research looks at the production of accounts as opposed to how the audience receives these strategies.

In order to address these problems, Benoit and Drew (1997) conducted a quantitative study to determine which image repair strategies worked best in a “face-threatening interpersonal” situation in terms of appropriateness and effectiveness of the response (p. 153). The terms appropriateness and effectiveness are crucial in terms of the legitimacy of image repair strategies. As previously mentioned, Benoit and Drew (1997) defined appropriateness and effectiveness as “two important dimensions of communicative competence [which] reflect whether the recipients of the accounts were offended or not (appropriateness) and whether the recipients were persuaded to restore the face of the transgressor (effectiveness)” (p. 157). This definition exhibits the importance of the audience in terms of image repair discourse. In order for a response to be appropriate it must be fitting in terms of the audience’s perception of the offensive act. Therefore, the appropriateness of a response depends upon the exigence of the situation. The definition of effectiveness also establishes the important role that the audience plays in terms of image repair because it implies that persuasive discourse must account for the audience in order to be effective.

Conclusion

Benoit and Drew's article explored an important aspect to image repair discourse by including the audience into the analysis of image repair discourse. However, there appears to be a lack of scholarly research that examines the importance of the audience in determining the overall success or failure of crisis communication. Communication is generally most effective when it is viewed as a mutual rather than a one-way process. This reflexive view of communication acknowledges the role of the audience in communicative process and encourages the needed give and take that is needed in order to create meaning. Therefore, a rhetor's discourse will be more likely to be successful if the audience is taken into account and invited to participate in the communication process.

However, crisis communication discourse is currently structured as a "linear transmission-based model of communication is rooted in this functionalistic orientation where the emphasis is on messages that would diffuse the crisis" as opposed to attempting to include the audience in the discourse (Kim & Dutta, 2009, p. 149). As a result, the audience is unable to become involved and therefore, invested in the attempts to repair a rhetor's image. In other words, crisis communication, especially at an organizational level, takes a top-down approach to the dispersion of their crisis communication discourse where messages are strategically created by the rhetor and are presented to the audience without a rhetorical invitation to respond or join into the conversation. As a consequence of this perspective, "publics are viewed primarily as receivers of the information that is sent out by the organization in order to optimize organizational benefits" (Kim & Dutta, 2009, p. 149).

Since crisis communication discourse, which includes image repair strategies, does not currently take a reflexive view of the communicative process, more research needs to be completed in order to account for the effects of the audience. By examining the audience's perspective, rhetors will be better able to respond to crisis situations and possibly repair their tarnished images in a more effective manner. In this paper, Benoit and Drew's definitions of appropriateness and effectiveness will be applied to the image repair strategies employed by the Big Three Automakers in order to understand how the audience perceived the persuasive discourse.

Research Questions

Based on the preceding literature review, the following research questions will be examined through this study:

RQ1: How is the persuasive overtone of the Big Three Automakers' image repair strategies received by the audience?

RQ2: How important is audience perception in terms of the Big Three Automakers' image repair strategies?

RQ3: Was the image repair discourse of the Big Three Automakers appropriate?

RQ4: Was the image repair discourse of the Big Three Automakers effective?

THE BIG THREE AUTOMAKERS

Background

“Face, image or reputation is an extremely important commodity” and must therefore be protected by individuals as well as organizations. (Benoit & Brinson, 1994, p. 76). Three organizations that have been required to employ tactics of crisis communication in order to repair their image are the Big Three Automakers. They have been forced to respond to their recent economic debacles and acceptance of government funds. In this section, a broad overview of the major events that occurred involving the Big Three Automakers will be presented. Then, the specific actions of the individual organizations that comprise the “Big Three” will be discussed. Finally, a rationale for analyzing the image repair strategies of the Big Three Automakers will be provided.

In late 2008 the economic troubles of the Big Three Automakers, which include General Motors (GM), Chrysler and Ford, were made public. After months of declining sales, they were forced to ask Congress for a bailout in order to support their individual operations. The “Big Three” claimed that “the current economic downturn has brought significant financial stress to the auto manufacturing industry. Recent deteriorating financial, real estate, and labor markets have reduced consumer confidence and available credit, and automobile purchases have declined” (Dodaro, 2008, p. i). Additionally, “higher gasoline prices have particularly hurt sales of sport utility vehicles,” which are the signature vehicles of all three organizations that comprise the Big Three Automakers. (Dodaro, 2008, p. i). Faced with the failing national economy and a decrease in their ability to compete globally, the “Big Three” have to receive government assistance or risk failing.

On November 18, 2008 the chief executive officers (CEOs) of GM, Chrysler and Ford made their financial appeal on Capitol Hill. After a month of negotiation, the Big Three Automakers submitted their plan to Congress in which they asked for a combined thirty four billion dollars in federal aid. Specifically, GM requested eighteen billion dollars from the government. This amount included four billion dollars, which was to be paid immediately in order to allow it to survive past January 1, 2009. Chrysler asked for an emergency seven billion dollar bridge loan to make it through 2008 plus an additional eight and a half billion dollar loan to help restructure its production facilities.

In contrast, Ford did not ask for bailout money, but instead opted to request a nine billion dollar loan be made available in case the funds are needed. Ford was able to forego the bailout because it had restructured early, “cancelled bonuses for management and merit increases for salaried employees in 2009” (“Timeline,” 2009, p. 1). As a result of these proactive measures, Ford's expects to break even or be profitable by 2011 (“Timeline,” 2009).

However, the requests of the “Big Three” were overshadowed by the actions of all three CEOs. On the day of the congressional testimony, Alan Mulally of Ford, Robert Nardelli of Chrysler and Richard Wagoner of GM, flew to Washington D.C. on three individual private jets paid for by the failing organizations. This action was overwhelmingly viewed in a negative light and as a result of this offensive act, some lawmakers lashed out at the CEOs during their testimony. It also raised questions about the intentions of the “Big Three” publicly (Levs, 2008).

Regardless of the private jet debacle, the Bush administration approved over seventeen billion dollars in federal loans to be divided among the Big Three Automakers

by mid-December. However, as part of the rescue plan the “Big Three” were required to submit restructuring plans to the government in order to show its future “viability” (“Timeline,” 2009). In addition, its image was tarnished by poor decision making, as evident in the CEOs choice to travel on their private jets and was further damaged by accepting the federal funds.

While there was quite a bit of discussion over bailing out the “Big Three,” the supporters of the federal government’s intervention eventually won the debate by claiming that “the collapse or partial collapse of the domestic auto manufacturing industry would have a significant ripple effect throughout other sectors of the economy and serve as a drag on an already weakened economy” (Dodaro, 2008, p. 9). This argument served as the rationale for providing federal funds to GM and Chrysler and making loan money available for Ford, if it was needed.

The recent federal bailout of the domestic automakers is not the first time that the U.S. government has been forced to save a member of the “Big Three.” In the late 1970’s and early 1980’s Chrysler received a bailout in order to continue its operations. Foss (1984) analyzed Chrysler’s rhetoric of redemption and identified four messages that are associated with the government bailouts that can still be observed in the most recent round of federal assistance. First, Foss noted that “the bailout communicated that the United States does not adhere to a totally capitalistic, free-enterprise system” (p. 87). This raised questions about the role of government interference in the private sector and drew parallels to a Socialist economic system. Second, the bailout reinforced that American motto that bigger is better, which forced Americans to recognize the “danger of such an emphasis on bigness in our culture” (p. 87). Third, during the most recent round

of bailouts, many supporters claimed that the organizations that the government decided to fund were “too big to fail.” This became the rallying cry of advocates in the government and in the specified organizations. However, as Foss explained in her article, many proponents of the original Chrysler bailout believed that it “deserved to be saved because it was big, [however], smaller firms would not have received the federal aid” (p. 87). This action expressed the unfair advantages that are given to the privileged. Foss described it as forcing Americans to acknowledge the existing “inequity and injustice inherent in American politics and economics” (p. 87). The final identified message was that “the bailout conveyed to the public that Chrysler was not a viable firm” (p. 87). Again, the economic woes of Chrysler, General Motors and Ford did express the possible inability for the domestic automakers to successfully compete in the global market because they do not make cars that consumers want to buy for a variety of reasons including size, gas mileage and efficiency.

In order to counter the messages identified by Foss and to become more competitive in the new automobile market that emerged after the bailout, the “Big Three” instituted several plans. First, they were required to restructure internally as part of the bailout agreement with the federal government. This action resulted in loss of jobs, tensions with the unions and the closing of dealerships around the country. Ultimately, this plan lowered its overhead costs and minimized its responsibilities.

Second, all three organizations re-engineered their cars. Previously, the “Big Three” were dependent on large SUVs as the base of its sales. However, with rising gas prices and environmental concerns, consumers have begun to request smaller vehicles that are more efficient efficiency as well as hybrid and electric options. Ford has

embraced this trend and now has “several new fuel-efficient cars in the wings, including a subcompact and a much-touted replacement for its Taurus family sedan, once its flagship vehicle” (Chris, n.d, p. 1).

Finally, the “Big Three” lowered its prices and offered rebates in order to encourage consumers to buy new cars from one of the individual automakers as opposed to a foreign manufacturer. For example, the Big Three Automakers partnered with the federal government to support the Cash for Clunkers campaign, which is also known as the car allowance rebate system or CARS. Cash for Clunkers was a government funded rebate program that occurred in 2009 to encourage consumers to trade in their old vehicles for a newer, more efficient car.

General Motors

GM is “one of the world’s largest automakers, [it] was founded in 1908, and today manufactures cars and trucks in 34 countries” (General Motors Company Profile, 2009). It is comprised of several brands including, Buick, Cadillac, Chevrolet, GMC, Daewoo, Holden, Hummer, Opel, Pontiac, Saab, Saturn, Vauxhall and Wuling (General Motors Company Profile, 2009). However, GM, like the other Big Three Automakers is restructuring and as a result, has had to reevaluate the economic value of its brands. In February, Saab filed to reorganize and create an independent business entity that would no longer be housed under the GM umbrella. (“Timeline,” 2009). In addition, “Hummer was acquired by a Chinese manufacturer, and Saturn was sold to auto-racing mainstay Roger Penske” (Kryzkowski, 2009, p. 12).

GM’s leadership has also undergone some changes. In March 2009, Richard Wagoner, who led GM through the bailout process, stepped down from his position as

CEO. His replacement, Frederick Henderson is now responsible to see through GM's restructuring plan and lead it into the future of auto manufacturing. However, this process has not been easy. Even though it accepted government funding, GM filed for bankruptcy in June of 2009. Forty days later, it emerged from bankruptcy and moved forward with the task of rebuilding its operations (Timeline, 2009).

This situation is not the first time that GM has had to publically defend and repair its image. Hearit (1996) analyzed the "apologetic exchange that took place between General Motors and NBC in 1992-93 over the safety of GM's C/K trucks" (p. 233). He concluded that GM effectively repaired its image by employing a counter attack, which is also known as kategoria-based apologia. However, this case is substantially different study of GM's image repair tactics in terms of the offensive acts.

Chrysler

Chrysler is the smallest of the Big Three Automakers. It was founded in 1925 by Walter Chrysler and currently oversees several brands including Ram, Dodge, Chrysler, Gem, Mopar and Jeep (Chrysler Company Overview, 2009). "It has spent the last three decades bouncing between highs and lows" and this recent bout of government invention is not the first time that Chrysler has depended on the taxpayers to support the company (Maynard, 2009, p. 1). As previously mentioned, in the late 1970's it took money associated with a congressional bailout in order to overcome its financial troubles.

Like GM, Chrysler has been forced to offer a restructuring plan as part of the most recent bailout plan. These turbulent changes associated with restructuring have also affected the company's CEO position. The former Chrysler CEO, Robert Nardelli, was replaced by Sergio Marchionne who now claims that Chrysler "is ready to prove to

consumers that [it] can once again be a strong, competitive company that produces a full portfolio of reliable vehicles that capture the image imagination and inspire loyalty” (Chrysler Plan, 2009, p. 1). This optimism is still intact despite receiving funds from the government bailout and deciding to file for bankruptcy following GM’s lead.

On April 30, 2009 Chrysler did go into bankruptcy “in an effort to restructure the company for long-term survival” (Welch & Kiley, 2009, p. 1). Following its emergence from bankruptcy, Chrysler finalized a partnership with Fiat, an Italian automaker. Since its reorganization process began, Fiat has acted as part owner of the ailing domestic automaker. Additionally, Chrysler has started “borrowing Fiat's quality-control practices and manufacturing system” (Whoriskey, 2009, p. 1).

As previously explained, Chrysler has been forced to repair its image because of a government bailout over twenty years ago. Foss (1984) examined Chrysler’s advertising that was used in order to “expunge its guilt and create a new public identity” (p. 75). As Foss noted, this discourse was largely ineffective because the symbolism of the bailout was much stronger than the chosen rhetorical strategies. This case is almost identical to the current threats to Chrysler’s image and can serve as an example of ineffective responses to offensive acts involving the economic woes of a public organization.

Ford

Ford, the third member of the Big Three Automakers, is the parent company of several brands including Ford, Lincoln, Mercury and Volvo. While it is lumped under the same umbrella as GM and Chrysler, Ford has taken a much different route than its counterparts in terms of its financial problems. The company reacted proactively when Alan Mulally, Ford’s CEO and Bill Ford, Ford’s Chairman “quickly refinanced the

company and created a line of credit that could withstand a downturn” (Buckman, 2009, p. 1). This act ultimately prevented Ford from needing to take part in the government bailout plan. However, Ford did support GM and Chrysler’s appeals to receive federal funding and did request to have loan money available if needed. Ultimately, threatening its image.

As previously mentioned, Ford did not accepted government aid and never filed for bankruptcy unlike GM and Chrysler. Unfortunately, this distinction is not apparent to the general American public who links the government bailout to all three of the companies housed under the Big Three Automakers. Therefore, in order to maintain its image, Ford must again act proactively in order to separate itself from the actions of GM and Chrysler. This image maintenance process will be necessary even though Ford did not actually complete any offensive acts, but is perceived to have from the perspective of its audiences.

Overview

The Big Three Automakers were selected because it is an interesting case for review in terms of image repair. As illustrated through the provided background information, they were all affiliated with the recent economic decline and resulting federal bailouts. The government involvement in corporate matters has become a major issue within the American media. This coverage has created an abundance of image repair related discourse available for analysis. As a result, many people are familiar with the situation and have developed an opinion.

Second, as previously explained, the Big Three Automakers refers to three individual organizations that are categorized under one umbrella title. In essence, this

case can be viewed by looking at the Big Three Automakers as a singular entity as well as three separate organizations. This is a unique structure that has benefited the organizations, but also hinders them at times.

Finally, not all three of the individual organizations acted in the same manner and as a result, will have different exigencies and corresponding responses. GM and Chrysler accepted government bailout money and declared bankruptcy. Therefore, it can be assumed that they are now enmeshed in a reactive form of image repair discourse. However, Ford did not accept any government money and has not declared bankruptcy. Yet it is lumped under the heading of the “Big Three” and is guilty by association. Based on their perceived wrongdoing, Ford had to institute a more proactive image management campaign in order to differentiate itself from GM and Chrysler.

METHODOLOGY

In this section, the procedure for analyzing the Big Three Automakers image repair discourse will be described. Next, the participants will be reviewed and the data collection procedures will be explained. Finally, the way in which the data was analyzed will be presented.

Artifacts

Three press releases, one from each of the Big Three Automakers, were chosen to act as the exemplars of image repair discourse employed by the three separate organizations. The first press release that was analyzed was from GM and entitled, “GM Accelerates its Reinvention as a Leaner, More Viable Company” (see Appendix A). The second selected press release was from Chrysler and entitled, “Chrysler Group LLC and Fiat Finalize Global Strategic Alliance; New Chrysler Emerges as a Stronger, More Competitive Global Company” (see Appendix B). The final press release that was analyzed was from Ford and entitled, “Ford Motor Company Announces Actions to Improve Balance Sheet and Enhance Automotive Liquidity” (See Appendix C). These press releases were selected from the archived documents on each organization’s website and covered similar topics related to the three organizations’ reaction to the offensive act. In this case, the documents were related to the “Big Three’s” response to their economic troubles and requested government involvement.

These documents were distributed during the focus groups in order to aid in the discussion about the appropriateness and effectiveness of the image repair strategies employed by the “Big Three.” In addition, an analysis of the three press releases was completed prior to their use in the focus groups in order to better understand the

strategies that were utilized within each document. This was accomplished by applying Benoit's theory of image repair, which include the previously identified strategies and corresponding tactics. The completed analysis is presented in the subsequent section in which results are discussed.

In order to complete this critique, each press release was reviewed individually and instances of image repair discourse were selected. After identifying this data, the results were clustered in order to allow overarching trends to emerge from the documents. This provided a useful analysis of the predominant image repair strategies utilized in each press release before the distribution of the documents during the focus groups.

As previously mentioned, the three press releases were also selected to act as the examples of image repair discourse during the focus group data collection portion of this study. Specifically, press releases were chosen because they are the means by which organizations communicate their story to the media and are therefore, the most representative of the organizations' attempts at image repair. In addition, everyone now receives their news from different outlets including, online sources, television and newspapers. Press releases are the messages that the media uses to base stories on and since they are a primary source, they are better able to account for any media differences.

Participants

The participants for this study consisted of college age students who were selected through convenience sampling. Convenience sampling is a "form of nonprobability-based sampling in which the researcher samples participants...based on their easy availability" (Baxter & Babbie, 2004, p. 421). After approval from the Institutional Review Board was obtained an e-mail was sent to all students in an academic department

at a large Midwestern university in order to recruit participants (see Appendix D). The e-mail provided an overview of the study as well as the details of the focus groups including time, length and location. All possible participants who responded to the email were included in one of the two scheduled focus groups.

The study consisted of ten of participants who were either current undergraduate or graduate students at the university. No identifying information was collected from the participants in order to maintain a high level of confidentiality in the final reporting of the study results.

Procedures

In order to better understand the importance of the audience in determining the appropriateness and effectiveness of image repair strategies, two focus groups were conducted. A focus group occurs when a “researcher conducts as interview with two or more informants at once” (Baxter & Babbie, 2004, p. 340). As Baxter and Babbie, (2004) explained, this interview process enables the researcher to better observe the group construction a response to the researcher and gain insight that comes from observing the interaction that takes place between the informants” (p. 340). The observation of this process is important to note since “communication is a collaborative, social process” that is created between people (Baxter & Babbie, 2004, p. 340).

Krueger (1988) identified several advantages to conducting focus groups as a means to obtain information. First, “the technique is a socially oriented research method, capturing real-life data in a social environment (p. 47). Therefore, focus groups enable the researcher to not only receive the answers to their questions, but better understand how the answers are constructed by the participants. Second, focus groups are a flexible

form of data collection methods. Third, “it has high face validity,” or appears to fully encompass a given variable (p. 240). The fourth advantage of a focus group is that the results are instantaneous. Finally, they are inexpensive to conduct. (Krueger, 1988, p. 47).

Each focus group took place in a private room in the campus center and lasted approximately one and a half hours. During this time, the participants were able to discuss their perceptions of the appropriateness and effectiveness of the image repair strategies employed by the “Big Three.” The focus group began with the researcher providing a brief overview of the recent actions of Big Three Automakers so that all of the participants were aware of which organizations declared bankruptcy and their individual involvement in the federal bailout. This included showing two YouTube clips from CBS News, one that focused on the “Big Three” requesting federal funds and the other examining the economic consequences that could occur if any of the “Big Three” failed. The YouTube clips were not artifacts that were examined in this study, but rather used as a prompt in order to remind the participants of the actions taken by the “Big Three.” Next, the three specific artifacts that exhibited the “Big Three’s” image repair strategies were presented to the focus group participants. Each press release was distributed to each participant. After each document was read by the participants, a guided conversation followed that sought to uncover the appropriateness and effectiveness of the response.

As Baxter and Babbie (2004) noted, a focus group typically consists of “7-12 people [who] are brought together in a room to engage in a guided discussion” (p. 341). In order to effectively guide the participants, a semi-structured interview guide was

created, which organized the focus group around the four overarching research questions (see Appendix E). The interview guide consisted of conversational prompts that encouraged participants to respond and engage in an open discourse. An example of the interview guide questions was “Has your perception of the “Big Three” changed over time?” This question was intended to assess the effectiveness of the image repair strategies incorporated in the responses of the Big Three Automakers.

Data Analysis

The recordings of each focus group were transcribed in order to allow an accurate analysis of the collected data (see Appendix F and G). With the overarching research questions in mind, each focus group transcription was organized depending on the corresponding research question that it sought to answer and then the responses were coded. By categorizing and sorting the focus group responses, a clear analysis of the data was able to be completed.

Baxter and Babbie (2004) identify seven basic steps that comprise the coding process, which was used in this study. First, the research questions must be determined by the researcher. This serves as the purpose for conducting the research. Based on the existing literature, the following research questions have been developed to guide this study:

RQ1: How is the persuasive overtone of the Big Three Automakers’ image repair strategies received by the audience?

RQ2: How important is audience perception in terms of the Big Three Automakers’ image repair strategies?

RQ3: Was the image repair discourse of the Big Three Automakers appropriate?

RQ4: Was the image repair discourse of the Big Three Automakers effective?

Second, Baxter and Babbie (2004) recommend that the textual data be unitized, which involves identifying a “segment of text that provides insight to [the research] question” (p. 366). In this study, the units of data were the three press releases from GM, Chrysler and Ford. After the participants read the three press releases, they were asked guiding questions that encouraged them to respond to each document.

Third, coding categories need to be developed that encompass all of the identified textual units. Several categories were established in order to aid in the organization of the collected data. These categories were based on the four established research questions for this study. In addition, sub-categories were also developed based on Benoit’s image repair strategies in order to align the data with the corresponding theory. The first category reviewed the question, “How is the persuasive overtone of the Big Three Automakers’ image repair strategies received by the audience?” This section included the audience’s identified exigencies and their acknowledgement of the persuasive discourse. The second category examined the question, “How important is audience perception in terms of the Big Three Automakers’ image repair strategies?” The third category reviewed the question, “Was the image repair discourse of the Big Three Automakers appropriate?” This section included the subcategories of mortification, bolstering and corrective action. The final category examined the question, “Was the image repair discourse of the Big Three Automakers effective?” Mortification, bolstering, corrective action, differentiation and definition comprised this overarching category.

Fourth, Baxter and Babbie (2004) suggested holes in the data need to be plugged through additional research or analysis. There were several holes identified in this research. First, the focus group participants noted the persuasive nature of the artifacts, but did not indicate the extent to which this factor affected their perception of the message. Second, the data that corresponded to the audience's perception of the "Big Three" noted several exigencies that required a response, but the participants did not specifically mention the bailout and bankruptcies. These two factors appear to be assumed by the participants based on the provided background information. This assumption was confirmed through the process of member checks in which the focus group participants reviewed the study results. Third, several of the participants discussed the use of naming throughout the focus group in terms of naming plans and attempting to rename companies. In order to account for this data, an additional sub-category was created under the category that focused on the effectiveness of image repair strategies.

Fifth, the researcher needs to check their findings to ensure the validity of the conclusions. Checking was completed in this study by submitting the results section to several of the focus group participants for their review and asking for feedback. All of the participants that read through the results agreed with the researcher's conclusions based on their experience in the focus groups. This member check enabled a more credible report of the study finding.

Sixth, exemplars needed to be identified in order to serve as clear examples "that help the researcher establish the conformability and transferability of the qualitative study" (p. 370). Several exemplars were selected that demonstrated the perceived

appropriateness and effectiveness of the presented image repair strategies and are further discussed in the corresponding categories in the results section of this report.

Finally, coding categories are integrated in order to “determine the conceptual relationships between and among” the established coding categories. Baxter and Babbie (2004), describe this step as a kind of meta-coding activity [that] is crucial to a comprehensive qualitative analysis” (p. 370). This synthesis of the coding categories and resulting relationships are also further detailed in the discussion portion of this report.

RESULTS

In this section the results from the analysis of the artifacts and the focus groups will be shared. First, a critique of each press release using Benoit's image repair strategies will be presented. Then, results for each of the four previously established research questions will be discussed and corresponding examples from the focus group will be included.

Analysis of Artifacts

The first press release that was chosen for inclusion in this study was from GM and entitled "GM Accelerates its Reinvention as a Leaner, More Viable Company" (see Appendix A). It discussed GM's new viability plan, which will aid in the restructuring process. The hope is that by restructuring the company, GM will become more competitive on the global level and may be able to counter some of the negative connotations associated with accepting federal bailout money.

In order to reduce the offensiveness of the offensive act, accepting federal bailout money, the GM press release incorporated a high level of bolstering throughout the document. For example, Fritz Henderson, GM president and CEO was quoted as saying "we have strong new product[s] coming for our four core brands: the Chevrolet Camaro, Equinox, Cruze and Volt; Buick LaCrosse; GMC Terrain; and Cadillac SRX and CTS Sport Wagon and Coupe" (GM Press Release, 2009, p. 2). This sentence emphasized the fortitude and progressive thinking associated with GM and its products. Bolstering also occurred as GM highlighted its dedication to and investment in the automobile industry by stating that "throughout the Plan, GM will continue to make significant investment in future products and new technologies, with an investment of \$5.4 billion in 2009" (GM

Press Release, 2009, p. 3). Additionally, Henderson was quoted in the concluding paragraph as stating that “this stronger, leaner business model will enable GM to keep doing what it does best-provide great new cars, trucks and crossovers to our customers, and continue to develop new advanced propulsion technologies that are vital for our country's economy and environment.” GM’s goal was that these types of sentences will foster a positive feeling towards GM as it shared encouraging aspects of its company with the intended audience.

In addition to bolstering, the GM press release utilized the tactic of corrective action by detailing specific ways in which it will prevent reoccurrences of requiring federal funds. While the Viability Plan is mentioned in its bolstering tactics, GM further explained the specific actions it is intending to implement in order to correct the perceived wrongdoing. The press release began by explaining that the corrective action, in this case the Viability Plan, “accelerates the timeline for a number of important actions and makes deeper cuts in several key areas of GM's operations, with the objective to make us a leaner, faster, and more customer-focused organization going forward” (p. 1). It further detailed the specification of the plans by explaining that GM will consist of fewer brands, nameplates and dealers; it will lower structural costs and therefore, lower the breakeven point by altering its manufacturing, employment and labor cost practices; and it will strengthen its balance sheet (GM Press Release, 2009).

However, despite setting a positive tone throughout the press release, GM concluded with the standard boilerplate that includes generic company information and a disclaimer, which explains that the forward-looking statements are not promises for

future results. Ultimately, this paragraph countered the progress made throughout the press release in terms of image repair. The included provision stated:

In this press release and in related comments by our management, our use of the words "plan," "expect," "anticipate," "ensure," "promote," "believe," "improve," "intend," "enable," "continue," "will," "may," "would," "could," "should," "project," "positioned" or similar expressions is intended to identify forward-looking statements that represent our current judgment about possible future events. We believe these judgments are reasonable, but these statements are not guarantees of any events or financial results, and our actual results may differ materially due to a variety of important factors. Among other items, such factors might include: our ability to comply with the requirements of our credit agreement with the U.S. Treasury; our ability to execute the restructuring plans that we have disclosed, our ability to maintain adequate liquidity and financing sources and an appropriate level of debt; the ability of our foreign subsidiaries to restructure and receive financial support from their local governments or other sources; our ability to restore consumers' confidence in our viability and to continue to attract customers, particularly for our new products; our ability to sell, spin-off or phase out some of our brands, to manage the distribution channels for our products, and to complete other planned asset sales; and the overall strength and stability of general economic conditions and of the automotive industry, both in the U.S. and globally (GM Press Release, 2009, p. 3).

The second press release that was chosen as an artifact for this study was from Chrysler and entitled "Chrysler Group LLC and Fiat Finalize Global Strategic Alliance; New Chrysler Emerges as a Stronger, More Competitive Global Company" (see Appendix B). This press release detailed the newly formed alliance between Chrysler and Fiat and highlighted the expected advantages of the newly formed partnership, which will enable Chrysler to become more competitive on the global market.

Chrysler implemented several of the same image repair strategies and tactics as GM. The most obvious of which was its use of bolstering to reduce the perceived offensiveness that accompanied the acceptance of federal funds and resulting bankruptcy. In this document, Chrysler chose to emphasize its "culture of innovation" by explaining

how the global strategic alliance with Fiat will “form a “new” Chrysler that has the resources, technology and worldwide distribution network required to compete effectively on a global scale” (Chrysler Press Release, 2009, p. 1). Besides highlighting its newly established resources and technology, Chrysler also attempted to demonstrate its progressive nature by establishing a “new paradigm for how automotive companies can operate profitably going forward” by partnering with Fiat and forming a new company, Chrysler Group, which will be a more viable company than the original Chrysler organization (Chrysler Press Release, 2009, p. 1).

The tactic of corrective action was also utilized in Chrysler’s press release. In the document, Chrysler shared the details of the global strategic alliance, which will enable Fiat to “contribute to Chrysler, its world-class technology, platforms and powertrains for small and medium-sized cars, allowing the company to offer an expanded product line including environmentally friendly vehicles increasingly in demand by consumers” (Chrysler Press Release, 2009, p. 1). The press release also explained the specific actions that Chrysler will be required to complete as part of the alliance. As stated in the press release, Chrysler will form a new company, give Fiat twenty percent interest in the new company, name Sergio Marchionne the CEO of the Chrysler Group and form a Board of Directors who will oversee Chrysler’s operations. By detailing the specific plans, Chrysler was able to demonstrate the corrective action it intends to take in order to prevent reoccurrences of the offensive act. The hope is that by implementing these changes “those Chrysler operations assumed by the new company that were idled during this process will soon be back up and running” (Chrysler Press Release, 2009, p. 1). In order to aid in the development of “new environmentally friendly, fuel-efficient, high-

quality vehicles that we intend to become Chrysler's hallmark going forward" (Chrysler Press Release, 2009, p. 1).

Transcendence is a tactic that can be used in order to repair an image by placing the offensive act into a larger setting. Chrysler does attempt to do this by reinforcing the global nature of the automobile industry throughout the press release. By placing the company, its actions and its responses into a global context, it reduced the offensiveness of the original offensive act. As a result, the corrective action that Chrysler detailed is also set in a global context and resulted in the new partnership with Fiat, an organization that serves "customers in more than 190 countries around the world [and operates] 178 plants worldwide" (Chrysler Press Release, 2009, p. 2). In addition, the newly established global context facilitated the formation of a new Chrysler organization. This notion is emphasized in the following statement that is attributed to Sergio Marchionne, the CEO of the Chrysler Group:

The same attributes that first attracted us to this alliance – a global automotive company with first-class technology, a devoted workforce, improved efficiency, a strong, global distribution network and an unyielding passion for building great cars that consumers want – are even more true today. While it does not solve every issue faced by the automotive industry today, this alliance, established with the full support of President Obama's Administration, is a very significant step toward positioning Fiat and Chrysler to be leaders among the next breed of global automakers. This has, I know, been a difficult process for everyone involved, but we are ready to prove to the American consumer that Chrysler can once again be a strong, competitive company that produces a full portfolio of reliable vehicles that capture the imagination and inspire loyalty (Chrysler Press Release, 2009, p. 1).

The newly created Chrysler Group is discussed throughout the press release. Additionally, the document concluded with a standard boilerplate that summarizes the key company information for both Chrysler and Fiat. The Chrysler section downplayed

its historical roots while highlighting the newly formed Chrysler Group, LLC almost acting as if it was an entirely different company than the original Chrysler organization. For example, the Chrysler boilerplate began by stating that the “Chrysler Group LLC, formed in 2009 from a global strategic alliance with Fiat Group, produces Chrysler, Jeep, Dodge and Mopar brand vehicles and products” (Chrysler Press Release, 2009, p. 2). This was an example of using differentiation in order to reduce the perceived offensiveness of Chrysler’s financial issues. The tactic of differentiation is usually used in order to differentiate an act from another more offensive one. However, it appears as though Chrysler was attempting to differentiate itself from the former organization in order to repair the image of the new company. The press release emphasized this point by stating that “the company formerly known as Chrysler LLC today formally sold substantially all of its assets, without certain debts and liabilities, to a new company that will operate as Chrysler Group LLC” (Chrysler Press Release, 2009, p. 2).

The third press release that was selected is from Ford and entitled “Ford Motor Company Announces Actions to Improve Balance Sheet and Enhance Automotive Liquidity” (see Appendix C). Ford had a different purpose for its communication than GM and Chrysler. Ford was more interested in image maintenance as opposed to image repair because while it did experience financial problems, Ford did not accept government money or declare bankruptcy. Therefore, it did not commit an offensive act, but is perceived as guilty by its publics due in part to its association with the other organizations that comprise the Big Three Automakers. In this specific press release, Ford explained how it intends to “improve its balance sheet and enhance automotive liquidity” (Ford Press Release, 2009, p. 1).

In order to maintain its image, Ford incorporated the tactic of bolstering in its press release. However, its use of bolstering was not as obvious as the forms utilized by GM and Chrysler. Ford used the document to imply that it has always been a strong organization and that it is choosing to “improve and enhance” its operations as opposed to repair or rebuild. The language used in the document made it appear as though the “additional steps” Ford is planning to take are above and beyond standard operating benchmarks. The press release also incorporated bolstering in the boilerplate, which served to detail the positive attributes of the company, such as how it “manufactures or distributes automobiles across six continent [and is comprised of] about 200,000 employees and about 90 plants worldwide” (Ford Press Release, 2009, p. 1). Again, this information reinforces the idea that Ford has been and continues to be a successful organization.

Even though Ford did not commit an offensive act, some of its publics believe that it is culpable. Therefore, Ford is required to respond to the accusations. In order maintain its image, Ford incorporated corrective action throughout the press release. Specifically, the document detailed the actions that Ford intends to take in order to “support the third pillar of [the] One Ford plan” (Ford Press Release, 2009, p. 1). This includes an amendment and extension to the current credit agreement, convertible note offerings and an equity distribution plan. According to Alan Mulally, Ford’s president and CEO, these actions will “finance the plan and improve our balance sheet” (Ford Press Release, 2009, p. 1).

The image repair tactics that Ford incorporated into its press release appear to be more preventative or proactive than the communication from GM and Chrysler. An

example of this proactive tone is exhibited when Mulally stated that he “expect[s] the moves will enhance Ford’s automotive liquidity and over time reduce the company’s debt burden, providing an additional cushion given the still uncertain state of the economy” (Ford Press Release, 2009, p. 1). The terms “reduction” and “cushion” were used in this statement to emphasize the preventative actions that Ford is taking in order to prevent Ford from needing government assistance or being forced to declare bankruptcy. Again, this statement demonstrated Ford’s commitment to maintaining and enhancing its image as opposed to repairing or restoring, which are the goals of GM and Chrysler.

These three press releases demonstrated the organizational attempts to repair or maintain the image of all three automakers. Through an analysis of each document, several common characteristics emerged. First, all three press releases utilized bolstering in order to reduce the perceived offensiveness of the wrongful act. By highlighting the positive aspects of each organization, the Big Three Automakers will be able to improve its perception among its key publics. Second, each organization responded to the accusations through the use corrective action. Each press release detailed the specific actions each organization plans to implement in order to rebuild its operation and prevent reoccurrences. Third, none of the “Big Three” attempted to deny the offensive act or shift blame. Fourth, they did not minimize the perceived wrongdoing. These characteristics are in accordance with Benoit’s (1997) suggestions for crisis management at the organizational level, which was previously discussed.

Research Question One

The first research question was “How is the persuasive overtone of the Big Three Automakers’ image repair strategies received by the audience?” Based on the focus

groups, the persuasive overtone can be reviewed in two ways. First, it affects the audience's perception of the organizations and their intentions. This can create either a positive or negative view of the discourse depending on the individual audience member. Second, the audience perception of the persuasive elements serves as a way to analyze the effectiveness of the employed image repair strategies.

During the focus groups, the participants acknowledged the persuasive overtones of the press releases, but not the image repair strategies. Specifically, they noted that the press releases are the organizations' opportunity to present their side of the story or present their "take on it." However, the persuasive feeling of the artifacts was also met with some trepidation. As one participant noted, he felt like the organizations were acting like "spin doctors." Therefore, it can be assumed that the messages presented in the organizational document were not trusted.

This negative feeling about the persuasive power of the press releases can be transferred to the image repair strategies since they were presented in the document. Ultimately, the persuasive underpinnings of the document affected the effectiveness of the image repair strategies in terms of helping the "Big Three" improve their standings with their publics.

Research Question Two

The second research question was "How important is audience perception in terms of the Big Three Automakers' image repair strategies?" This question is especially important since the persuasive goals of image repair strategies cannot be accomplished without accounting for the audience. As Benoit (1995) noted, "the actor responds to perceived threats to his or her character. These attacks are important to the actor when they are

believed to reduce the rhetor's reputation in the eyes of a group (audience)" (p. 82).

Because of these perceptions, a rhetor becomes compelled to positively alter the perceptions of the audience in terms of their perceived wrongdoings.

The focus group began with a question about what actions the "Big Three" needs to respond to. This question was posed because as previously noted, audience perception of the rhetor is very important in terms of determining the exigencies of the situation. Based on the discussions that occurred as part of the focus groups, the perception of the audience can be viewed in two different ways. This includes determining which actions the audience deems as offensive and therefore deserving of a response by the rhetor and understanding the audience's perception of the intended audience for the discourse.

First, when the focus group participants were asked about what they viewed as offensive acts to which the Big Three Automakers need to respond, the bailout of the was not specifically mentioned in the responses to this question. It appeared as though it almost went without saying that the acceptance of federal funds deserved a response from the partaking organizations. Also, the resulting bankruptcies were not included in the offensive acts that the "Big Three" needed to react to. Again, it almost seemed as if these were taken for granted by the audience, especially following the YouTube clips and provided background information that highlighted the bailout and bankruptcies.

However, the focus group did identify several offensive acts that they deemed worthy of a response. First, the issue of corporate exuberance appeared to be the most pressing. Second, the participants noted that consumer confidence in the "Big Three" is lacking and that this should be a focus of the Big Three Automakers. Finally, the

audience thought that the resulting loss of jobs within the organizations and communities deserved a response.

Second, the audience's perception of the intended audience affected their view of the "Big Three's" apologia. Some focus group participants noted that they felt it was directed towards an internal audience as opposed to external. This sentiment was further expressed as many of the focus group participants mentioned that they did not feel as if the press releases were directed to them and they were not sure who the target audience is of the press releases. Therefore, the audience assumed that the image repair strategies employed in the documents were also not being used to restore their view of the Big Three Automakers' tarnished image. Based on the responses about who the target audience is, the focus group participants appeared to want some sort of attempt at identification from the organization within the documents. The notion of identification was one of the key factors discussed in the focus group that relates to the audience's perception of the "Big Three."

Burke's theory of identification is commonly used in order to allow a rhetor to relate to a given audience. As a theory, it looks for ways to align the "interests, attitudes, values, experiences, perceptions and material properties [that] are shared with others, or could appear to be shared" (Quigley, 2007, p. 1). Fostering a sense of identification is crucial to the success of any attempt at image repair since, as Cheney (1983) noted, "an individual who is inclined to identify with an organization (or an organizational subunit) will be open to persuasive efforts from various sources within that unit" (p. 146). Therefore, the Big Three Automaker's persuasive rhetoric may be more effective if it reaches a state of identification with its key audiences.

Cheney (1983) detailed three means of identification that have been derived from Burke's theory. The first strategy is the common ground approach, which occurs when a "rhetor equates or links himself or herself with others in an overt manner" (Cheney, 1983, p. 148). The second strategy is to create a sense of identification through the use of the transcendent "we." This covert tactic naturally results in a corresponding "they" and "can be found in corporate discourse when the sharing of interests by the corporation and employee seems taken for granted" (Cheney, 1983, p. 149). The third strategy is identification through antithesis or division. This tactic works to create a common enemy among members of an organization and then encourage identification around that established common ground. By using the dividing technique, organizations "implicitly stress identification with "insiders" (i.e., members of the organization) as an effort towards achieving unity and collective acceptance of organizational values" (Cheney, 1983, p. 148).

Overall, the audience's perception of the offensive act as well as the attempts of the organizations to restore their face affects the appropriateness and effectiveness of the image repair discourse. The appropriateness of the response is determined by establishing the offensive acts that the audience perceives as the exigence for a response from the organization. The effectiveness of the response is affected by the organizations ability to identify with the audience, which will make them more likely to accept the image repair strategies that the organization chooses to utilize.

Research Question Three

The third research question asked "Was the image repair discourse of the Big Three Automakers appropriate?" In order for an attempt at image repair to be accepted

by a given audience, the discourse must first be appropriate to the situation. This component of communicative competence refers to whether or not the audience was offended by the act in question (Benoit & Drew, 1997). Therefore, the organization would need to account for the act in order to restore face with the audience. Based on the focus group transcripts, three image repair strategies were indirectly identified in the press releases and subsequently discussed by the participants. These include mortification, bolstering and corrective action.

Mortification. Mortification occurs when the rhetor admits to the perceived offensive act and asks for forgiveness from the audience. As Benoit and Drew (1997) explained, mortification “may include an expression of regret (for one’s role in the offensive act, or for the consequences of the act, or both), and requests for forgiveness” (p. 156).

The artifacts of image repair discourse from the “Big Three” did not include an example of mortification. However, that did not go unnoticed by the focus group participants who criticized the press releases for not having an outright admission of guilt and corresponding apology. Through the course of each focus group, several participants explained that it would be appropriate to include an apology in the document. One of the participants simply stated that “an apology is needed,” which further demonstrated the appropriateness associated with using mortification as a means to repair an image.

Additionally, the participants noted that the tone of the documents were “cold with no emotion.” This made them distrust what was being proposed in the document and question the real motives behind organizational rhetors. Ultimately, the focus group

suggested that the Big Three Automakers “try some sincerity” with the hope that this would be a more appropriate tone to present to the audience.

Corrective Action. Corrective Action generally refers to an “offer to repair existing damages and/or to take steps to prevent reoccurrence of the offensive act” (Benoit & Drew, 1997, p. 156). This strategy usually consists of a rhetor restoring the situation to its state prior to the occurrence of the offensive act and making changes to prevent reoccurrences.

Several participants did credit the automakers with taking responsibility for their actions. This was deemed as a positive because it implied a sense of culpability. As one participant explained, “they’re taking responsibility...they’re saying that we’re going to do whatever we can to negate the effects on the GM side.” By acknowledging their accountability, the “Big Three” and GM specifically, were able to set forth their plans for corrective action.

Overall, the incorporation of corrective action was well received by the focus group participants. By detailing the plans and specifying the actions of the “Big Three,” the audience was able to understand how Chrysler, GM and Ford was attempting to restore the situation and make organizational changes that will prevent reoccurrences of the offensive acts. A majority of the focus group participants felt like this was an appropriate response as well because it allowed them to hold the “Big Three” accountable for the follow through of the proposed corrective actions.

The members of the focus groups felt like the utilization of corrective action was appropriate to the situation. While discussing the Ford press release, one participant explained that the corrective action presented in the document “felt exceedingly

independent...sense of long term forward thinking.” However, a few of the focus group participants questioned the appropriateness of setting forth plans for corrective action. This feeling was exacerbated by the fact that not a lot of action has taken place and without results, it is empty rhetoric. This feeling was demonstrated when a participant explained that the “Big Three” needs to “change how [they] do business and not talk about it anymore.”

Bolstering. Bolstering is used to reduce the offensiveness of the act to which a rhetor is responding. This tactic is used in order to “mitigate the negative effects of the act...by strengthening the audience’s positive affect for the actor” (Benoit & Drew, 1997, p. 156). All three of the press releases incorporated bolstering in to their rhetoric. Overall, the focus group participants felt like this was appropriate.

The appropriateness of bolstering was discussed in the focus groups during a conversation about Chrysler’s use of phrases like going forward, significant steps towards and building on. The participants explained that these phrases created a sense that Chrysler was “growing and changing and perhaps you can interpret that form learning from the past.”

This discussion of forward looking statements paralleled Lakoff and Johnson’s (1980) argument that “most of our ordinary conceptual system is metaphorical in nature” (p. 104). In their analysis of linguistics, they presented multiple metaphors that have become embedded in our communication practices and ultimately frame the way we make sense of the world. One of these metaphorical concepts that were explored is the up-down spatialization metaphors. Lakoff and Johnson (1980) explained this concept by stating that idea “‘more is better’ is coherent with ‘more is up’ and ‘good is up.’ ‘Less is

better' is not coherent with them... 'The future will be better' is coherent with 'the future is up' and 'good is up.' 'The future will be worse' is not" (p. 108). This up-down spatialization metaphor conceptualization was used in the three press releases as stated above, was identified as a strength within the Chrysler discourse.

Research Question Four

The fourth research question asked "Was the image repair discourse of the Big Three Automakers effective?" Effectiveness is another component of communication competence that determines the successfulness of image repair discourse. In this study, effectiveness refers to the ability of image repair strategies to persuade the audience to accept the rhetor's attempts at image restoration (Benoit & Drew, 1997). Based on the focus group transcripts, four of Benoit's image repair strategies and one additional tactic were identified and discussed by the participants. These include mortification, bolstering, corrective action, transcendence and naming.

Mortification. As previously explained, mortification refers to a rhetor admitting to and apologizing for an offensive act. Even though the examples of the "Big Three's" image repair discourse did not contain a direct apology, all three automakers did appear to take responsibility for their actions. However, the lack of an explicit apology was noticed in both focus groups.

Several participants suggested that the incorporation of an apology would be a very effective means to obtaining forgiveness. One participant noted that "a genuine apology goes a long way." As the focus group continued, another participant explained that "nothing compares to a heartfelt apology. It's kind of true, it doesn't give jobs back...but that's a starting point for me. Before I really start to believe in what

someone's doing to repair something, whether it's an image, and entire company or an entire nation, an apology is needed.”

Corrective Action. The strategy of corrective action was implemented into all three of the press releases. Each of the press releases referenced a plan that the automaker was implementing in order to rebuild financial strength and become a more competitive company. As a result of the “Big Three's” focus on corrective action, it became a major talking point within each focus group. Based on the discussion two points emerged regarding effectiveness of the discourse.

First, the participants felt like the Big Three Automakers were trying to change since they have developed plans of action in the hopes of repairing damages and preventing reoccurrences of similar offensive acts. By setting forth their plans, the “Big Three” appeared to take responsibility for their actions and as such acknowledge their involvement in the offensive act. One participant noted that the use of corrective action in the press releases allowed him to see “that there is a plan and this is how [they] are going to succeed.”

Second, the use of specific details within the plans of corrective action was well received by the participants. For example, Ford used specific dates in its plan, which was discussed in the focus groups. The participants explained that the incorporation of details and “the use of so many dates does hold them accountable” One participant even recommended that GM and Chrysler should begin “addressing a schedule...and then making a commitment that we will pay back these loans in full” in order to make their rhetoric more effective.

Bolstering. As previously explained, bolstering is an image repair strategy that is used in order to reduce the perceived offensiveness of an act, which Benoit and Drew (1997) described as an “attempt to reduce the degree of ill feeling associated with the act (justification)” (p. 156). All three of the press releases incorporated a form of bolstering into their image repair discourse and based on the responses of the focus group participants, this was accomplished in several ways. These attempts at bolstering included linking themselves to Obama, highlighting their environmental advances and connecting themselves to the global economy.

During the discussion of Chrysler’s press release, one participant explained that the use of President Obama was positive because it had a “cutting edge, positive, young, fresh connotation of change.” Therefore, since Chrysler had connected itself with Obama, it too could benefit from his reputation. Another participant added to the discussion by stating that this was “pretty effective [and] a really strong statement.”

GM and Chrysler also attempted to bolster themselves by touting their commitment to the environment. The idea of being green has become a major selling point for cars globally as consumers are looking for better mileage and efficiency. One participant expressed her support for the environmental focus by explaining that the “mention of environmentally friendly vehicles...was positive.” However, this focus was not well received by all the focus group participants. One participant noted the rhetorical focus on “environmentally friendly, fuel efficient, high quality vehicles...lacks substance [and] feels like an industry buzzword.” This concern may be addressed by having the automakers describe a specific plan to become more environmental.

This sentiment was echoed in one participant's overall description of the "Big Three's" bolstering rhetoric in which he suggested that they need to "walk the line between transparency and promoting." This statement indicates a negative feeling about lack of support in the discourse that is used to bolster, which ultimately affects the perceived effectiveness of the strategy.

Differentiation. Like bolstering, differentiation is a tactic that tries to reduce the perceived offensiveness of a given act. Benoit (1997) explained that it as an attempt to distinguish the act "from other similar, but more offensive actions" (p. 181).

Differentiation, as Benoit defined it, was not utilized in the press releases. However, both focus groups suggested that Ford in particular, need to incorporate differentiation into their image repair discourse.

The focus group participants routinely mentioned that Ford could benefit from differentiating itself from GM and Chrysler since it did not accept bailout money or declare bankruptcy. In essence, this version of differentiation would parallel Benoit's interpretation of the tactic since it would enable Ford to distinguish itself from other similar but more offensive actors, thereby reducing the perceived offensiveness of its actions.

While many participants felt like GM and Ford's connection to Obama was a strong point in their press releases, several suggested that it could be viewed as a weakness by reminding the public of the government bailout. Therefore, the focus groups also suggested that Ford specifically distance itself from Obama and his

administration in order to demonstrate that they “were strong enough...or opposed to taking taxpayers money because you were here for the American people and not to use them.”

Naming. Naming is not included in Benoit’s taxonomy of image repair strategies. However, the power to frame an organization or an offensive act can be harnessed through the simple act of naming, which can change the associated connotation and redefine a concept. Naming was incorporated into the press releases in two ways, which include the naming of plans and Chrysler’s name change.

First, all three of the automakers named their plan of corrective action. Ford explained one pillar of its One Ford Plan, Chrysler introduced its Global Strategic Alliance in its press release and GM described its updated Viability Plan. One member of the focus group specifically stated that “the first thing that I noticed was a name to [GM’s] plan, so right there it says the Viability Plan, I just thought that is effective anytime you give a name to something.” The tactic of naming ultimately gives the automakers more control over the perceived meaning of their plans for corrective action.

Second, several participants noticed the use of the word ‘new’ in Chrysler’s press release. This utilization of ‘new’ also applied to their name, which has changed from Chrysler to the Chrysler Group and was referred to as the new Chrysler throughout the document. One participant described the repetition of ‘new’ as positive and further explained that she felt the word usage demonstrated that Chrysler “was trying to change, they were trying to show initiative.” Again, the use of the word new, along with its denotative and connotative meaning allowed Chrysler to better shape the perception of its audience.

DISCUSSION

This section will consist of information that pertains to the preceding results from the study. First, the implications associated with each of the four overarching research questions will be presented. Next, limitations of the study will be discussed. Finally, recommendations for future research will be suggested.

Implications of Results

Research Question One. The first research question was “How is the persuasive overtone of the Big Three Automakers’ image repair strategies received by the audience?” Image repair discourse is inherently persuasive. It attempts to restore the face of a rhetor who committed or is perceived to have committed an offensive act. While the results of this study indicated that the persuasive overtone of the artifacts was acknowledged, the focus group participants did not specifically mention the persuasive abilities of the included image repair strategies. This lack of differentiation between the entire discourse and individual strategies, ultimately affects the effectiveness of the image repair strategies as well as the perceived effectiveness of the strategies because they are not viewed as components of the overarching discourse.

Research Question Two. The second research question was “How important is audience’s perception in terms of the Big Three Automakers’ image repair strategies?” Audience perception is the most important consideration of image repair discourse. As previously mentioned, the persuasive goals of image repair strategies cannot be accomplished without first accounting for the intended audience. Ultimately, the audience creates the exigence to which the rhetor must respond. Based on this study, the focus group participants identified several actions that they felt deserved a response from

the “Big Three.” These included corporate exuberance, decreased consumer confidence, the bailout and resulting bankruptcies. The image repair discourse of the “Big Three” was then deemed appropriate by the focus groups based on their response to these specific offensive acts. If the “Big Three” did not respond to these specific allegations, their discourse would have been viewed as inappropriate and therefore, ineffective.

Research Question Three. The third research question asked “Was the image repair discourse of the Big Three Automakers appropriate?” The results of this study paralleled the findings of Benoit and Drew’s analysis of the appropriateness of image repair strategies in an interpersonal context. They found that mortification and corrective action were the most appropriate forms of image repair. Based on the focus group discussion, mortification and corrective action both emerged as the most appropriate strategies as well. However, in order to be considered appropriate by the audience, the rhetor must ensure that both of these strategies are sincere and contain an observable amount of emotion so that the rhetor is not described as “cold.”

Benoit and Drew (1997) also found that denial, provocation, minimization, bolstering and attacking the accuser were the least appropriate forms of image repair. Bolstering was the only one of these strategies to be incorporated into the presented artifacts that were used in this study. Based on the responses of the focus group participants, bolstering was viewed as an appropriate response for the “Big Three.” This difference in findings may be attributed to the different contexts in which the image repair strategies were utilized. As such, it may be perceived to be more appropriate for an organization to incorporate bolstering into its image repair discourse as opposed to an individual.

Research Question Four. The fourth research question asked “Was the image repair discourse of the Big Three Automakers effective?” The findings related to the effectiveness of image repair strategies in this study complemented the results of Benoit and Drew’s (1997) analysis as well. Again, mortification and corrective action were the most effective image repair strategies. Based on the focus groups, mortification and corrective action were also deemed as the most effective for the participants as well. However, the focus group participants were a bit wary of any corrective action that did not include specific details of the plan.

Benoit and Drew (1997) also found that differentiation, denial, provocation, minimization and bolstering were found to be the least effective. This is where the results of these two studies differ. The focus group participants in the more recent study suggested that Ford use differentiation in order to distance itself from GM and Chrysler. However, this was not recommended to the other domestic automakers. Therefore, it can be assumed that the effectiveness of this strategy is dependent upon the context or the situation. Additionally, bolstering was overall viewed as an effective means to image repair even though a few focus group participants expressed some concern over that lack of support behind the statements.

Limitations

There were several limitations to this study that need to be discussed. First, not all of the image repair strategies were included in the study. Therefore, it is impossible to complete a comprehensive evaluation of the appropriateness and effectiveness of the fourteen image repair strategies and tactics that Benoit (1995) advocated. However, practical image repair discourse cannot incorporate all of the strategies, so in order to

account for this limitation, a scenario would need to be presented and possible responses would need to be created by the researcher that would encompass each of the strategies and tactics. This would allow for a direct comparison of the perceived appropriateness and effectiveness.

A second limitation was the observed lack of diversity of focus group participants. All of the focus group participants were from the same Midwestern university. In addition, all but two of the focus group members were currently pursuing a Master's Degree. Demographically, there were also similarities that could have affected the findings. For example, all of the participants were Caucasian and a majority of them were in their mid to upper twenties. However, there was an even representation of male and female participants.

A related limitation is the existence of an existing relationship between several of the participants. All of the participants were students at the same university and most of them had previously met or had established friendships with one another. These existing relationships between the participants may have impacted their willingness to disclose information during the focus group.

Future Research

Since not all of Benoit's image repair strategies and corresponding tactics were utilized in the chosen artifacts, not all of the categories were included in the focus group discussion and following assessment of the appropriateness and effectiveness of the image repair discourse. Therefore, this is a significant area for future research that can be addressed by completing additional studies about the appropriateness and effectiveness of image repair strategies that incorporate all of the fourteen identified strategies and tactics.

Since not all of the strategies are included in practical examples of apologia, this may be accomplished by providing background on an offensive act and then presenting different responses to the exigence. This would allow the researcher to record the audience's perception of each kind of response rather than just the handful that a rhetor decided to utilize. This model would be similar to the study completed by Benoit and Drew in 1997.

Second, image repair strategies are utilized in both the internal and external communication of organizations. Therefore, it would be useful to identify the differences in perceived appropriateness and effectiveness of image repair strategies in these two contexts of organizational communication. This study could be conducted by gaining access to an organization that has committed an offensive act and then reviewing the created organizational rhetoric that is presented within the organization as well as the messages that the organization disseminates to its publics. This comparison study could produce insightful information about the different perception of image repair discourse depending on the context and audience.

Conclusion

The findings of this study complement the original findings of Benoit and Drew's quantitative study assessing the appropriateness and effectiveness of image repair strategies in an interpersonal setting. However, there were observable differences between the studies in terms of the perception of both the appropriateness and effectiveness of bolstering and the effectiveness of differentiation. The implications of these differences can be important in developing a better understanding of the utilization of image repair strategies in apologetic discourse. Specifically, the results demonstrated

how the audience determines the appropriateness and effectiveness of the strategies, but also how rhetors are able to successfully use different strategies based in context.

Although further research is needed in order to determine which image repair strategies are considered to be the most appropriate and effective, a new focus should be given to the contextual factors of image repair discourse. This could create an almost prescriptive approach to apologia and the utilization of image repair strategies as opposed to descriptive. This progress in image repair discourse may be accomplished by building on Ryan's theory of *kategoria-apologia*. Since, according to Ryan, the attack prompts the defense, a rhetor should be able to take into account the situation and then identify and utilized an appropriate strategy in order to repair the accused's image. This would also allow researchers to suggest particular strategies that have shown success when applied to particular offensive acts that occur in similar contexts. For example, Blaney and Benoit (2001) assessed the image repair strategies employed by Jesus Christ in the Gospel of John and concluded that transcendence may be the default defense for religious figures because of their positions and ultimate interests. While it would not be possible to come up with a formula of image repair strategies, a guide could be created, which could serve as a prescription for a given situation.

This new understanding could further develop proactive methods to image maintenance since the currently image repair is seen as a very reactive process. However, based this study and existing research, certain elements can be employed in order to proactively counter a threat to one's image. This notion would complement the research previously discussed in the related field of image management. For example, bolstering could be utilized consistently in order to reinforce a positive perception of the

rhetor in an organizational context and this may minimize the effects of a crisis situation. Also, the use of transcendence could be used in order to provide the public with a constant reminder of the larger context in which the rhetor operates. These strategies would strengthen the character or policy and make it more difficult to damage or threaten its image and could potentially decrease the need for image repair.

Image repair strategies will continue to be utilized in a variety of settings since we are continually compelled to preserve our image. The theory will also further develop to account for the audience, context and other variables. However, the current state of the theory still remains a useful guide to repair a threatened image and will continue to be an area of interest and concern for communication scholars.

APPENDIX A

GM Accelerates its Reinvention as a Leaner, More Viable Company

Updated Viability Plan Speeds, Deepens Restructuring of U.S. Operations

2009-04-27

DETROIT -- General Motors (NYSE: GM) today presented an updated Viability Plan that will speed the reinvention of GM's U.S. operations into a leaner, more customer-focused, and more cost-competitive automaker.

The Viability Plan is included in an exchange offer whereby GM is offering certain bondholders shares of GM common stock and accrued interest in exchange for certain outstanding notes.

Revised Viability Plan goes further and faster

The Viability Plan announced today builds on the February 17 Viability Plan submitted to the U.S. Treasury. The revised Plan accelerates the timeline for a number of important actions and makes deeper cuts in several key areas of GM's operations, with the objective to make us a leaner, faster, and more customer-focused organization going forward.

Significant changes include:

- A focus on four core brands in the U.S. - Chevrolet, Cadillac, Buick and GMC - with fewer nameplates and a more competitive level of marketing support per brand.
- A more aggressive restructuring of GM's U.S. dealer organization to better focus dealer resources for improved sales and customer service.
- Improved U.S. capacity utilization through accelerated idling and closures of powertrain, stamping, and assembly plants.
- Lower structural costs, which GM North America (GMNA) projects will enable it to breakeven (on an adjusted EBIT basis) at a U.S. total industry volume of approximately 10 million vehicles, based on the pricing and share assumptions in the plan. This rate is substantially below the 15 to 17 million annual vehicle sales rates recorded from 1995 through 2007.

"We are taking tough but necessary actions that are critical to GM's long-term viability," said Fritz Henderson, GM president and CEO. "Our responsibility is clear - to secure GM's future - and we intend to succeed. At the same time, we also understand the impact these actions will have on our employees, dealers, unions, suppliers, shareholders, bondholders, and communities, and we will do whatever we can to mitigate the effects on the extended GM team."

Fewer U.S. brands, nameplates, and dealers

As part of the revised Viability Plan and the need to move faster and further, GM in the U.S. will focus its resources on four core brands, Chevrolet, Cadillac, Buick and GMC. The Pontiac brand will be phased out by the end of 2010. GM will offer a total of 34 nameplates in 2010, a reduction of 29 percent from 48 nameplates in 2008, reflecting both the reduction in brands and continued emphasis on fewer and stronger entries. This four-brand strategy will enable GM to better focus its new product development programs and provide more competitive levels of market support.

The revised plan moves up the resolution of Saab, Saturn, and Hummer to the end of 2009, at the latest. Updates on these brands will be provided as these initiatives progress.

Working with its dealers, GM anticipates reducing its U.S. dealer count from 6,246 in 2008 to 3,605 by the end of 2010, a reduction of 42 percent. This is a further reduction of 500 dealers, and four years sooner, than in the February 17 Plan. The goal is to accomplish this reduction in an orderly, cost-effective, and customer-focused way. This reduction in U.S. dealers will allow for a more competitive dealer network and higher sales effectiveness in all markets. More details on these initiatives will be provided in May.

Sales volume and market share projections

The Viability Plan anticipates improved financial results despite more conservative U.S. sales volume expectations going forward. The lower volume expectations are the result of managing the business with fewer nameplates and dealers, leaner inventories, and reduced market share. To address the inventory issue, GM on April 23 announced U.S. production schedule reductions of approximately 190,000 vehicles during the second and early third quarters of 2009.

The Viability Plan also reduces GM's market share projections to adjust for the impact of the brand and dealer consolidation, as well as for the short-term impact of speculation regarding a GM bankruptcy. The plan assumes a 19.5 percent share in 2009, with share stabilizing in the 18.4 to 18.9 percent range in subsequent years.

"We have strong new product coming for our four core brands: the Chevrolet Camaro, Equinox, Cruze and Volt; Buick LaCrosse; GMC Terrain; and Cadillac SRX and CTS Sport Wagon and Coupe," said Henderson. "A tighter focus by GM and its dealers will help give these products the capital investment, marketing and advertising support they need to be truly successful."

Lower structural costs, lower breakeven point

The Viability Plan also lowers GMNA's breakeven volume to a U.S. annual industry volume of 10 million total vehicles, based on the pricing and share assumptions in the plan. This lower breakeven point (at an adjusted EBIT level) better positions GM to generate positive cash flow and earn an adequate return on capital over the course of a normal business cycle, a requirement set forth by the U.S. Treasury in its March 30 viability plan assessment.

GM will lower its breakeven point by cutting its structural costs faster and deeper than had previously been planned:

- **Manufacturing:** Consistent with the mandate to accelerate restructuring, we plan to reduce the total number of assembly, powertrain, and stamping plants in the U.S. from 47 in 2008 to 34 by the end of 2010, a reduction of 28 percent, and to 31 by 2012. This would reflect the acceleration of six plant idling/closures from the February 17 plan, and one additional plant idling. Throughout this transition, GM will continue to implement its flexible global manufacturing strategy (GMS), which allows multiple body styles and architectures to be built in one plant. This enables GM to use its capital more efficiently, increase capacity utilization, and respond more quickly to market shifts.
- **Employment:** U.S. hourly employment levels are projected to be reduced from about 61,000 in 2008 to 40,000 in 2010, a 34 percent reduction, and level off at about 38,000 starting in 2011. This further planned reduction of an additional 7,000 to 8,000 employees from the February 17 Plan is primarily the result of the previously discussed operational efficiencies, nameplate reductions, and plant closings. GM also anticipates a further decline in salaried and executive employment as it continues to assess its structure and execute the Viability Plan. More details will be announced as soon as they are finalized with the various stakeholders.
- **Labor costs:** The Viability Plan assumes a reduction of U.S. hourly labor costs from \$7.6 billion in 2008 to \$5 billion in 2010, a 34 percent reduction. GM will continue to work with its UAW partners to accomplish this through a reduction in total U.S. hourly employment as well as through modifications in the collective bargaining agreement.

As a result of these and other actions, GMNA's structural costs are projected to decline 25 percent, from \$30.8 billion in 2008 to \$23.2 billion in 2010, a further decline of \$1.8 billion by 2010 versus the February 17 Plan.

Strengthening GM's balance sheet

Another key element of GM's restructuring will be taking the necessary actions to strengthen its balance sheet. GM today took an important step in improving its balance sheet by launching a bond exchange offer for approximately \$27 billion of its unsecured public debt. If successful, the bond exchange would result in the conversion of a large majority of this debt to equity.

"A stronger balance sheet would free the company to invest in the products and technologies of the future," Henderson said. "It will also help provide stability and security to our customers, our dealers, our employees, and our suppliers."

Another important part of improving the balance sheet will be the ongoing discussions with the UAW to modify the terms of the Voluntary Employee Benefit Association (VEBA), and with the U.S. Treasury regarding possible conversion of its debt to equity. The current bond exchange offer is conditioned on the converting to equity of at least 50

percent of GM's outstanding U.S. Treasury debt at June 1, 2009, and at least 50 percent of GM's future financial obligations to the new VEBA. GM expects a debt reduction of at least \$20 billion between the two actions.

In total, the U.S. Treasury debt conversion, VEBA modification and bond exchange could result in at least \$44 billion in debt reduction.

Throughout the Plan, GM will continue to make significant investment in future products and new technologies, with an investment of \$5.4 billion in 2009, and investments ranging from \$5.3 to \$6.7 billion from 2010 to 2014. Very importantly, development and testing of the Chevy Volt extended-range electric car remains on track for start of production by the end of 2010 and arrival in Chevrolet dealer showrooms soon thereafter.

"The Viability Plan reflects the direction of President Obama and the U.S. Treasury that GM should go further and faster on our restructuring," Henderson said. "We appreciate their support and direction. This stronger, leaner business model will enable GM to keep doing what it does best - provide great new cars, trucks and crossovers to our customers, and continue to develop new advanced propulsion technologies that are vital for our country's economy and environment."

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About GM - General Motors Corp. (NYSE: GM), one of the world's largest automakers, was founded in 1908, and today manufactures cars and trucks in 34 countries. With its global headquarters in Detroit, GM employs 243,000 people in every major region of the world, and sells and services vehicles in some 140 countries. In 2008, GM sold 8.35 million cars and trucks globally under the following brands: Buick, Cadillac, Chevrolet, GMC, GM Daewoo, Holden, Hummer, Opel, Pontiac, Saab, Saturn, Vauxhall and Wuling. GM's largest national market is the United States, followed by China, Brazil, the United Kingdom, Canada, Russia and Germany. GM's OnStar subsidiary is the industry leader in vehicle safety, security and information services. More information on GM can be found at www.gm.com.

Forward-Looking Statements - In this press release and in related comments by our management, our use of the words "plan," "expect," "anticipate," "ensure," "promote," "believe," "improve," "intend," "enable," "continue," "will," "may," "would," "could," "should," "project," "positioned" or similar expressions is intended to identify forward-looking statements that represent our current judgment about possible future events. We believe these judgments are reasonable, but these statements are not guarantees of any events or financial results, and our actual results may differ materially due to a variety of important factors. Among other items, such factors might include: our ability to comply with the requirements of our credit agreement with the U.S. Treasury; our ability to execute the restructuring plans that we have disclosed, our ability to maintain adequate liquidity and financing sources and an appropriate level of debt; the ability of our foreign subsidiaries to restructure and receive financial support from their local governments or other sources; our ability to restore consumers' confidence in our viability and to continue to attract customers, particularly for our new products; our ability to sell, spin-off or phase out some of our brands, to manage the distribution channels for our products, and

to complete other planned asset sales; and the overall strength and stability of general economic conditions and of the automotive industry, both in the U.S. and globally.

Our most recent reports on SEC Forms 10-K, 10-Q and 8-K provide information about these and other factors, which may be revised or supplemented in future reports to the SEC on those forms.

APPENDIX B

Chrysler Group LLC and Fiat Finalize Global Strategic Alliance; New Chrysler Emerges as a Stronger, More Competitive Global Company

Date: 06.10.09

PRESS RELEASE:

- C. Robert Kidder to be named Chairman of U.S. Automaker
- Sergio Marchionne to Serve as Chief Executive Officer

Auburn Hills, Mich. / Turin, Italy, Jun 10, 2009 -

Chrysler Group LLC and Fiat Group announced today that they have finalized their previously announced global strategic alliance, forming a “new” Chrysler that has the resources, technology and worldwide distribution network required to compete effectively on a global scale. The new Chrysler will begin operations immediately.

As part of the alliance, Fiat will contribute to Chrysler its world-class technology, platforms and powertrains for small- and medium-sized cars, allowing the company to offer an expanded product line including environmentally friendly vehicles increasingly in demand by consumers. Chrysler will also benefit from Fiat’s management expertise in business turnaround and access to Fiat’s international distribution network with particular focus on Latin America and Russia.

“This is a very significant day, not only for Chrysler and its dedicated employees, who have persevered through a great deal of uncertainty during the past year, but for the global automotive industry as a whole,” said Sergio Marchionne, who today was named Chief Executive Officer of Chrysler Group LLC. “From the very beginning, we have been adamant that this alliance must be a constructive and important step towards solving the problems impacting our industry. We now look forward to establishing a new paradigm for how automotive companies can operate profitably going forward.”

Mr. Marchionne continued: “We intend to build on Chrysler’s culture of innovation and Fiat’s complementary technology and expertise to expand Chrysler’s product portfolio both in North America and overseas. Those Chrysler operations assumed by the new company that were idled during this process will soon be back up and running, and work is already underway on developing new environmentally friendly, fuel-efficient, high-quality vehicles that we intend to become Chrysler’s hallmark going forward.

“The same attributes that first attracted us to this alliance – a global automotive company with first-class technology, a devoted workforce, improved efficiency, a strong, global distribution network and an unyielding passion for building great cars that consumers want – are even more true today. While it does not solve every issue faced by the automotive industry today, this alliance, established with the full support of President Obama’s Administration, is a very significant step toward positioning Fiat and Chrysler to be leaders among the next breed of global automakers. This has, I know, been a

difficult process for everyone involved, but we are ready to prove to the American consumer that Chrysler can once again be a strong, competitive company that produces a full portfolio of reliable vehicles that capture the imagination and inspire loyalty,” Mr. Marchionne said.

Under the terms approved by the U.S. Bankruptcy Court in New York and various regulatory and antitrust regulators, the company formerly known as Chrysler LLC today formally sold substantially all of its assets, without certain debts and liabilities, to a new company that will operate as Chrysler Group LLC.

Chrysler Group in turn issued to a subsidiary of Fiat a 20 percent equity interest on a fully diluted basis in the new company. Fiat has also entered into a series of agreements necessary to transfer certain technology, platforms and powertrains to the new Chrysler. Fiat’s equity interest will increase in increments by up to a total of 35 percent in the event that certain milestones mandated by the agreement are achieved, but Fiat cannot obtain a majority stake in Chrysler until all taxpayer funds are repaid.

Similarly, the United Auto Workers’ Retiree Medical Benefits Trust, a voluntary employees’ beneficiary association trust (VEBA) has been issued an equity interest in Chrysler Group equal to 55 percent on a fully diluted basis. The U.S. Treasury and the Canadian Government have been issued an equity interest equal to 8 percent and 2 percent on a fully diluted basis, respectively. These interests reflect the anticipated share dilution as a result of Fiat’s incremental equity assumption once the milestones outlined in the strategic alliance agreement are achieved.

In addition to Mr. Marchionne, currently the Chief Executive Officer of Fiat S.p.A. serving as CEO, the new Chrysler will be managed by a nine-member Board of Directors, consisting of three directors to be appointed by Fiat, four directors to be appointed by the U.S. Government, one director to be appointed by the Canadian Government and one director to be appointed by the United Auto Workers’ Retiree Medical Benefits Trust. The Board is expected to name C. Robert Kidder as Chairman. The process of determining additional board members is continuing and updates will be announced as appropriate.

As previously announced, Chrysler has entered into an agreement with GMAC Financial Services to provide automotive financing products and services to the Company’s North American (NAFTA) dealers and customers. GMAC Financial Services will be the preferred lender in North America for Chrysler, Jeep® and Dodge dealer and consumer business, including wholesale of new and used vehicles as well as retail.

About Chrysler Group LLC

Chrysler Group LLC, formed in 2009 from a global strategic alliance with Fiat Group, produces Chrysler, Jeep®, Dodge and Mopar® brand vehicles and products. With the resources, technology and worldwide distribution network required to compete effectively on a global scale, the alliance builds on Chrysler’s culture of innovation – first established by Walter P. Chrysler in 1925 – and Fiat’s complementary technology.

Headquartered in Auburn Hills, Mich., Chrysler Group LLC's product lineup features some of the world's most recognizable vehicles, including the Chrysler Town & Country, Jeep Wrangler and Dodge Ram. Fiat will contribute world-class technology, platforms and powertrains for small- and medium-sized cars, allowing Chrysler Group LLC to offer an expanded product line including environmentally friendly vehicles.

Follow Chrysler news and video on:

Chrysler Connect blog: <http://blog.chryslerllc.com>

Twitter: <http://www.twitter.com/chryslercom> and www.twitter.com/chrysler

YouTube: <http://www.youtube.com/pentastarvideo>

Streetfire: <http://members.streetfire.net/profile/ChryslerVideo.htm>

About Fiat

Founded in 1899, Fiat is an automotive-focused industrial group, serving customers in more than 190 countries around the world. With some 185,000 employees, 114 R&D centers and 178 plants worldwide, the Fiat Group designs, manufactures and sells passenger cars (Fiat, Lancia, Alfa Romeo, Abarth, Maserati and Ferrari), agricultural and construction equipment (CNH Case New Holland), trucks and industrial vehicles (Iveco), and automotive components (FPT Powertrain Technologies, Magneti Marelli and Teksid). More information available at www.fiatgroup.com or www.fiatgroupautomobilespress.com.

APPENDIX C

Ford Motor Company Announces Actions to Improve Balance Sheet and Enhance Automotive Liquidity

- Proposal to amend and extend existing revolving credit facility
- Launch of senior convertible notes offering
- Intent to initiate an equity distribution plan

DEARBORN, Mich., Nov. 2, 2009 – Ford Motor Company (NYSE: F) announced today additional steps to improve its balance sheet and enhance automotive liquidity.

Actions being announced include a proposal to lenders under Ford's revolving credit facility to extend the maturity of the facility from 2011 to 2013 in exchange for reducing lenders' commitments and increasing interest margins and fees. In addition, Ford is seeking to raise additional capital with a convertible debt offering and an equity distribution plan.

"These actions support the third pillar of our One Ford plan – finance the plan and improve our balance sheet," said Alan Mulally, Ford's president and CEO. "We expect the moves will enhance Ford's automotive liquidity and over time reduce the company's debt burden, providing an additional cushion given the still uncertain state of the economy."

Credit agreement amendment and extension

Ford has proposed to the lenders under its secured credit agreement an amendment that would reduce revolving lenders' revolving commitments, extend the maturity of such lenders' revolving commitments until 2013 and modify certain covenants and other provisions. Pursuant to the proposal, each revolving lender that agrees to extend the maturity of its revolving commitments may reduce its revolving commitment by up to 25 percent at its election and to the extent its reduced revolving commitment exceeds certain specified levels, such excess would be converted into a new term loan under the secured credit agreement maturing on Dec. 15, 2013. In exchange for a reduction in their revolving commitments, as well as a 1 percentage point increase in interest rate margins, an increase in fees and payment of an upfront fee, the revolving lenders would agree to extend the maturity of their revolving commitments and loans to Nov. 30, 2013 from Dec. 15, 2011. The modified covenants would expand existing limitations on debt prepayments and repurchases to allow for further balance sheet improvements. Ford would repay revolving loans to the extent necessary to effect the commitment reductions on Dec. 3, 2009.

The revolving lenders are required to submit their response to Ford's proposal by Nov. 18, 2009. To date, certain revolving lenders have indicated that they intend to accept Ford's proposal and extend about \$6 billion of revolving commitments and loans to Nov. 30, 2013. The amendment and extension is subject to approval by lenders holding a majority in principal amount of the loans and commitments outstanding under the secured credit agreement.

Senior convertible notes offering

Ford intends to offer, subject to market and other conditions, approximately \$2 billion in aggregate principal amount of senior convertible notes due in 2016. The notes will be convertible by the holder and payable at Ford's option in common stock, cash or a combination thereof. Ford intends to grant the underwriters an option to purchase an additional \$300 million in aggregate principal amount of senior convertible notes.

Barclays Capital, BofA Merrill Lynch, Citi, Deutsche Bank Securities, Goldman Sachs & Co., J.P. Morgan, Morgan Stanley and RBS are acting as joint book-running managers of the senior convertible notes offering. BNP Paribas and HSBC also will be included in the underwriting syndicate for the offering.

Equity distribution plan

Ford also announced today that it intends to enter into an equity distribution agreement with certain broker/dealers pursuant to which it may offer and sell shares of its common stock from time to time for an aggregate offering price of up to \$1 billion. Any sales of common stock under the equity distribution agreement are not expected to commence until December 2009 and are expected to be made over a several-month period by means of ordinary brokers' transactions on the New York Stock Exchange at market prices or as otherwise agreed.

The senior convertible notes and the shares of common stock will be issued pursuant to Ford's existing effective shelf registration statement filed with the Securities and Exchange Commission (SEC). Net proceeds to Ford from the senior convertible notes offering and sales, if any, under the equity distribution plan are expected to be used for general corporate purposes.

Ford has filed a registration statement (including a prospectus) with the SEC for the offerings to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents Ford has filed with the SEC for more complete information about Ford and the offerings. You may obtain these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, the issuer and underwriters participating in the offerings will arrange to send you the relevant prospectus and prospectus supplement if you request them by calling: Ford at 800-555-5259, BofA Merrill Lynch at 866-500-5408, Citi at 877-858-5407, and J.P. Morgan at 631-254-1735.

About Ford Motor Company

Ford Motor Company, a global automotive industry leader based in Dearborn, Mich., manufactures or distributes automobiles across six continents. With about 200,000 employees and about 90 plants worldwide, the company's automotive brands include Ford, Lincoln, Mercury and Volvo. The company provides financial services through Ford Motor Credit Company. For more information regarding Ford's products, please visit www.ford.com.

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APPENDIX D
Participant Request E-mail

I am conducting two focus groups in order to complete the research portion of my thesis. Please volunteer to participate in one of the focus groups detailed below in order to offer your thoughts on the Big Three Automakers as well as your perception of their attempts to improve their image.

I have scheduled two focus group sessions at the Campus Center (CE). The first focus group will be on Wednesday, January 20th at 6pm in CE264. The Second focus group will be held on Thursday, January 21st at 6pm in CE264. Each focus group will be quick and easy and is entirely voluntary. If you are available on either of these evenings, please reply to this e-mail in order to participate in one of the focus groups!

Thank you,

Lindsey Anderson

APPENDIX E

Focus Group Interview Guide

Provide background on the big three, a brief tutorial and a handout about image repair strategies.

1. What were the specific allegations to which the automakers were responding?
2. Was a response necessary?
 - Appropriateness of response

Show examples of the image repair discourse of the big three automakers.

3. What image repair strategies were employed in automaker's response?
 - Can the audience differentiate between the strategies?
4. Was the overall utilization of these strategies effective?
5. Which specific strategy/tactic would you consider to be the most effective?
6. Were you previously aware of these examples of apologia?
7. What is your current perception of the big three automakers?
8. Has your perception changed over time?
 - Effectiveness of the response
9. What suggestions would you have for the automakers in terms of their current image repair campaign?
10. What suggestions would you have for future image repair or maintenance?

APPENDIX F

Focus Group1: Transcripts

Lindsey: I am beginning the recording now. But, think on the media coverage of the Big Three Automakers. Those are just two small snippets of what we saw for months, right? What allegations do you guys feel are important for the “Big Three” to respond to?

Participant 1: Confidence, like consumer confidence. Specifically, like you know we have seen the car companies fail and...how long will this be around. Especially for domestic automakers to have that confidence that yes, we will be...loan...yes we will be around long enough to service your car, etcetera, etcetera.

Lindsey: Right, what else?

Participants 2: I think that there are two aspects to it. A follow up to what you said. Clearly, if you go to buy a car, the most important thing is the warranty. If I am paying two hundred dollars then I want to be covered, but I also think this issue of, um, corporate exuberance is just, is just, so electrifying especially, I know especially in 2008 and still is today. The rest of our country is in a recession and your asking for these kinds of funds and flying in on a corporate jet. Those things just make people so angry, um, that that kind of clouds people’s judgments when they’re looking at the company.

Participant 3: I agree, just that, more so, the first think that I thought of was the second issue. Just the corporate spending and how they’re, um, allocating the, the, um, bailout money funds that they are receiving.

Lindsey: And it probably didn’t help when they first approached congress in the jets. So that examples shows it. What else, anything? Okay, do you think that those, for lack of a

better word, exigencies, deserve a response? If you were part of the “Big Three,” would you feel that you needed to respond to those allegations or offensive acts to you publics?

Participant 4: Definitely, responding by actions probably is the best thing that you could do. I mean all the rhetoric and all the talk is, it doesn't mean anything. I think that it needs to, the whole, I think the whole focus of the, uh, American automakers needs to change from, I think though the marketing plans haven't worked. I think the union's too big. I think, I have a lot of opinions about it, but, I think that you need to change how you do your business and not talk about it anymore. Yeah, so.

Lindsey: Yeah, so at this point, everyone is in agreement that they need to respond to these. That they have a tarnished image at this point?

Participant 2: And it's not just, oh, I'm sorry.

Participant 5: No, I was just saying absolutely.

Everyone: {Laughter}.

Participant 2: I mean that, uh, I, I just can't say that it, it's difficult too because when you talk about it from a marketing perspective...they kind of have to target their whole company now instead of just marketing a couple of cars. But at the same time you almost need something like better guarantees and better deals to get people sold on your warranties. It's a very difficult position, you know.

Lindsey: Okay.

Participant 4: I think they're stuck in a niche too. Uh, they, now the consumer is really focused on saving money and the whole market, the trends of the market, it all also goes with the trends of your buying of cars. I think that the, uh, they set kind of a precedent in the 80's and 90's that GM, all the major manufacturers in this country, they marketed

towards a certain personality and all of a sudden, they don't want that person. They want to market to the people that have been buying Japanese cars and being more economically, you know, sound. Well, it's too late for that, you know, you've already kind of set your precedent, you have your, your, your, customer and, uh, it's too late. It's going to take a lot to get that to change, especially when you're still going out muscle cars, so.

Lindsey: No, absolutely. It's an image that...

Participant 4: They say one thing and then it's like actions are completely opposite of that so.

Participant 2: And then on top of that is the fact that you had to fire huge amounts of people over time and Americans are vividly aware of what that does to towns and what that does to the family and, uh, everybody has developed opinions about that and for years now, so it's a very difficult thing to try and repair in a very short amount of time that they need to.

Lindsey: Anything else?

Participant 4: I think like he was saying, I think it is too short of a period of time to try to, like, kind of like what I was saying with, uh, you know we have thirty years of, uh, practices that you are going to try to fix right now in this economy. It's just, uh, it's almost like an uphill battle that they can't win, really. They are going to try everything they can I guess with our money to do it.

Lindsey: Okay, are there any other comments about, um, the allegations or if a response is necessary? Okay, I'd like to move on and um, I gave you three press releases, one from each of the Big Three Automakers, GM, Ford and Chrysler. I would like for you to

read them and I am going to frame your reading because I want you guys to look for statements or sentences or parts that you feel were effective in responding to their image problem and that were not effective throughout the press releases including the boiler plate, which is the paragraph that goes underneath that is basically company information that they stamp on to the press releases. So think about effective and ineffective comments and we will, um, yeah, conclude this focus group afterwards.

Lindsey: Okay, Now that you have all taken the time to read the three press releases, I would like to start with Chrysler and can you guys tell me what you thought was effective about the press release? What sentence or statements they had that you thought really helped to, um, repair their image, for lack of a better word.

Participant 3: The one thing that jumps out to me were they used over and over the word new, the new Chrysler, so I underlined new every time they put it in here. And then also, they had some, um, also mention of environmentally friendly vehicles and I, um, I thought just in my opinion that was positive. They were trying to change, you know, they were trying to show initiative {inaudible}.

Participant 1: I...the very bottom of the first page when they are saying, you know, hey, we merged, it's going to be great, but then they said, while it does not solve the auto industry today, this alliance, yada, yada, establishes a good step I think addressing, you know, kind of saying even though we sell all these great things it is not going to solve everything. I think they are being a little more realistic {inaudible} because in some of the others I didn't see that as well.

Participant 4: I thought Chrysler did the worst for me. I think that they're using, uh, the same, I put, environmental, enviro bs. I don't think playing that card worked. I kind of

see through it. I don't know, I am seeing it through a real critical, real skeptical sinicism, but I don't like the, really all the first page. It was kind of bs to me and then there was a red flag and I said that the government takeover {inaudible} because I am not in agreeance with that at all, that really, I just really don't like their press release at all. Our workers kind of was the only positive thing, but I'm really not sure. With the jargon they were throwing out I can't really see if it's a consolation or if it's an admittance of culpability. I really don't know the numbers so, just addressing the United Autoworkers worked for me, just because that's where I think the problem lies, but I'm not sure that's a, you know, which way they're going with that because I'm just not familiar with the numbers they're throwing out there.

Lindsey: Uh huh, go ahead.

Participant 5: I have something that was effective, um, at least for the time that this was written, was that they, um, along with the statement that he pointed out, they said that is establishes the full support of Obama's administration and at this point, Obama had incredible, you know, he was, his administration was, um a lot of support and, um, so I thought that that was pretty effective at least during this time, you know as a really strong statement {inaudible}. On the other hand they're talking about their board of directors. They're saying that if all these people are going to be appointed, then eight people are going to be appointed by the companies and the government and then there is just one person that is representing the United Autoworkers out of the nine, so I didn't really, I didn't like that part.

Participant 2: See, I really liked the focus on the new Chrysler group. I think a new name would have been {inaudible} a way to go, uh, like Fiat maybe or, I'm just spitballing.

Everyone: {Laughter}.

Participant 2: I like how they point to, uh, point out that there was new management being brought in that there isn't just a new board, but a new CEO and brought in that he is the guy running the show now and it's not this old Chrysler thing that kind of helps, um. I like that it made a point to point out that Fiat can't take a majority stake until all taxpayer funds are repaid. I didn't like that it wasn't first in the paragraph, it's there at the end just like cool, but going back to what (Participant 5) said, one of the things that caught me about this was, you know, the U.S. Treasury owns eight percent of it, but is appointing four directors to the board you know, when the United Autoworkers has fifty five percent control and are appointing one, so it really, I think, to me highlighted that it less under the full support of the Obama administration and more being run by the Obama administration. It's sort of a...

Participant 4: And they want to kind of remove the power from the UAW.

Participant 2: Yeah, that's kind of what I got at that, to me, it looks like, like the government came in, strong-armed the deal with Fiat and then just got rid of all Chrysler's management or those people in it. Yeah, it's a good deal for Fiat, but, I mean, uh, it, I feel it {inaudible} helping Chrysler's image as a new company going forward, but, um, didn't address the people who originally took the bailout, but they're not there anymore, so...

Participant 4: I thought there was some really irony in Fiat, cause Fiat money is worthless so it's pretty funny that they chose Fiat, a sports car, and Fiat money is like why our economy is struggling right now. That's {inaudible}.

Lindsey: Anything else positive or negative about the Chrysler press release? Anything that you thought was interesting?

Participant 3: I have something, but this might just be really, I don't know if this is going to make any sense, but, I guess I just felt like not knowing, you know, really if this press release, if I'm the target audience for this press release. I don't think that, um, there was a lot of mention and I know Fiat is a global company, or, um, I'm not really sure where they're based, Italy or something, and so there were a lot of references to global, global distribution, global, global, global, global worldwide, but I just don't think that that is a selling point for our taxpayers and the taxpayers are the target audience. I would think that they, the taxpayers want some kind of mention of, um, local benefits.

Lindsey: Domestic?

Participant 2: And that was the other part, we just spent a whole lot of money on this company that is now essentially being taken over by a foreign car company, so it's sort of a, I, uh, it would have benefited, I think, by having more promises of pay back the taxpayers and more of a focus in this is still an American company. Yes we want to go global, but we are still fundamentally Chrysler {inaudible}. You know we are still fundamentally Chrysler and American, I guess.

Lindsey: Anything else about the current press release? Okay, let's move on to GM. What did you guys find that was effective and not effective in this press release?

Participant 5: I think this is the worst. It talked, over and over and over again about how we are going to close these plants and we are {inaudible} and I know there was a lot of good things in here, but, I mean I kept getting slapped in the face with all of these cost reductions they're going to do and so it just really turned me off.

Participant 1: I found it interesting that between, you have to walk a line between transparency, showing what you are going to do, but at the same time promoting, you know, the positive things. And I felt like I kind of agree with you, that there was a lot of, you know, this is supposed to be good and is going help the company, but it's going to hurt a lot of people domestically. You know, especially with the Chrysler we didn't really hear, we heard a lot about global, but in here we didn't hear a lot of global negative things.

Participant 2: The thing I took away from this is after reading this, I just felt like GM was like a giant corporation being run by absolutely nobody. Like I feel like they, didn't you feel like they would have just run themselves into the wall if the government hadn't come in and made, and even when you look at their CEO quoting stuff, its we're taking necessary action, you know we're, our responsibility is clear, but it's like, who told you that. It just felt like someone came in and said, listen, stop what you're doing, and here's what you're going to do because clearly you aren't doing any of that. And I had a feeling throughout the entire press release and it just really bothered me that it didn't feel like GM was in control of anything at all. You know, like they were being told what to do by other people and that they would just run this company straight into the ground if nobody had stepped in.

Participant 1: I honestly think the changes were very, very drastic. It's like, I understand the nature of it, but it's also how did you get to this point. What was the thinking that got you where you're cutting how many brands out of the entire company?

Participant 2: The fifty percent basically reduction of their dealers was, was incredible. I mean who figures the numbers for that.

Participant 1: How do you get that big?

Participant 2: There is a red flag somewhere. I understand on an accounting sheet you have to do that so breakeven made sense, but that's another one of those things where there's just no push from GM's people at all to protect their employees or dealers at all in that. You can't {inaudible} three thousand dealers that you're just not going to do business with. I mean like that's, that was a whole lot of things to cut to get to breakeven and to get to making money, you know. Also, I hated the Viability Plan and I really hated the revised Viability Plan. I was like really? {laughter} That was just not good to me, you know what I mean, like I didn't like anything about that a different name for that would have been better.

Participant 3: I didn't like the word viability first of all, I did like the concept of a named plan or renaming, kind of like what we talked about with the New Chrysler, like instead of renaming it. I mean giving something a purpose here, but I agree, I just don't, it just almost felt really, um, not appropriate for some reason.

Lindsey: Did you not like the name or did you not like the action steps that they were putting forth?

Participant 3: I didn't like the name, but I don't like the plan at all either. I mean, neither, yeah.

Participant 2: Well, was there a plan? To me it's an accounting issue.

Participant 1: It lost me totally.

Lindsey: It is what it is, which is a lot of corrective action.

Participant 2: {Inaudible} Ford and Chrysler's, very little, but we understand that this doesn't fix all the problems and we understand that this has been a difficult process, but GM is just like, you know we're just going to get rid of these three thousand dealers and we are cut are, not only are we going to have {inaudible}, but we are going to close thirty plants, basically. And there is just no feeling at all to it.

Participant 5: Well, and then there is that paragraph at the very end saying that the language we use...and it might not work.

Participant 2: I understand why you would have to put in that type of language with all the accounting detail, but goodness. You know, you feel like GM has no idea what they're doing.

Participant 5: I mean, but the words that they're using are, I mean, you're just saying putting in a lot of accounting detail, but the words that they feel that they need to explain are plan, anticipate, may, would, could, should {laughter}. Those are words that shouldn't need disclosure and you should be able to rely on their meaning.

Participant 3: You know, (Participant 2) said something really interesting because it is exactly how I felt but I wasn't sure that I could and I'm still not sure I can articulate it, but there was no, it just seemed like when I was reading it I kept thinking, like who wrote this, like it seemed like some computer processing program said, here's a whole lot of keyboards, just put it in and put a name on it. It just seems so cold and no emotion at all and why does this benefit me, like it doesn't speak to a human being, I don't think.

Participant 4: I like the fact that they were trimming a little bit of the fat. I might not be popular in this group...{laughter}. I liked the fact that there cutting some brands. I think they have way too many cars. I think that was one of the problems with their marketing was that they had way too many things going, they need to streamline and, I mean, I'm a union guy, so I can't say that I'm in agreeance with shutting down plants and exporting labor, but there has to be some happy medium where you can trim the fat and streamline and somehow work out a better plan with some better products, just improve your products, so.

Participant 2: See, I would be okay with that if they said that, if they said that this is all part of our plan to get to a point where we can produce cars to compete competitively. I didn't feel like, I mean, and it doesn't feel like they're even the ones coming up with the rules. It doesn't even seem like they're the ones with these initiatives. They're just being told to them and I mean It feels kind {inaudible}. Even the word viability really, you know, not to compete effectively, but we're just trying to survive by any means necessary, we don't care how this affects anyone, uh.

Participant 1: Getting back to your point where you mentioned last time this is a written point. Like I feel this could have been presented at a closed door business meeting with, you know like five or six people who, you know, go, oh that makes sense. But if you're submitting this to the general public, and you expect everyone to sign on to say yeah, that sounds great.

Participant 2: Which has just bailed you out too.

Participant 1: Exactly, we can try to hold you accountable.

Lindsey: An the reason I chose press releases as opposed to other forms of media is that we all get our news from different outlets, mostly television or internet sources, and I thought that this is basically the message that Chrysler submits to media outlets. So that is why I am having you read press releases. That was my rationale behind these artifacts.

Participant 2: Yeah, that is a really good {inaudible} I mean this is your message; this is what you put out. This is your spin on it, take, I mean they try and, they have this game of we are going to be leaner, more customer focused, more cost competitive all they use leaner, faster, more customer focused, but really, that is not enough. When you are firing that many people and when you have taken that much money, there has to be some acknowledgement, you know, that there are real, that you are not just going to be faster. That's going to fix it.

Participant 1: It didn't even seem like it was customer friendly or focused in the press release.

Participant 2: It's like what kind of cars are you going to make. It's like we have our four core brands but there's no plan. It's just very, very limited.

Participant 4: The electric car really set me off, cause they tried that one and it was really successful, um, however, have you guys ever seen the movie, "We've Killed the Electric Car?" It's a documentary about, you know, the early eighties they had an electric car called the EV1 and it did awesome. It got like eighty miles to uh, I can't, it's not to a gallon, it's electric, but it did really well. They only offered it in lease and then it did too well and then the gas company shut her down. The government came in, I think, but that's just my opinion. They came and impounded all of the cars. They actually removed them from the driveway. People were like, don't take my car. They were like

laying in the driveway and they picked them up and put them on a truck and took them and burned them or, uh, smashed them and so now they're wanting to get that back so, the program back, but they already did that once and it just, I'm not buying that either, so.

Participant 2: Yeah, well that's kind of the, {inaudible}. Chrysler and GM about the government's hand being in a whole lot. You know, just the fact that it mentioned President Obama's administration in both of them. I mean, the overwhelming, I mean you really get an overwhelming sense that the government is a whole lot more in control of these companies than they are of their own groups, you know. I don't think that Ford's one has really anything like that. But these, this is just such a persuasive character that doesn't really get mentioned a lot, but you can just really tell it's there, you know?

Participant 4: It's kind of scary, really. I mean...

Participant 2: If I were an investor, you know, it's like whose running your company? You know, and is this plan yours or were you in the room when this plan was written? And that's a valuable, a serious question. I don't know if they were there, you know. This could have been an e-mail. Like here's the Viability Plan part two and this is what you're going to do, write a press release. I didn't like it.

Lindsey: Anything else related to the GM press release either positive or negative? Okay, let's move on to Ford, who's responding differently, however, they are still lumped under the "Big Three" so they do have to respond to the public. So what do you guys think? What was positive and negative in this press release?

Participant 3: I was kind of, I don't know, Ford didn't take bailout money, correct?

Lindsey: Right.

Participant 3: So, the only thing that I really didn't like, this just didn't really speak to me in anyway. The one thing I just kept thinking was because they didn't take bailout money, they really didn't, I didn't think they were really obligated to address their image or repair an image in my, you know, to me.

Participant 1: I kind of felt like after reading it, the one thing that I most liked was that they were the one voice. {inaudible} It's a pillar of our plan. You know, we can see that there is a plan and this is how we are going to succeed. Um, but I felt like it was very, you know, like jargon laden, like over and over like, you know, if I was interested in the exact {inaudible} then I would be interested in this, but otherwise besides the bailout money, I don't care as much.

Participant 2: Yeah, I think that the line in this one for me was the third pillar of *our* One Ford Plan. It's *our* plan, it's like *we're* doing this it's very company focused and I think very focused on it and obviously it's a sales pitch to certain lenders, but it felt exceedingly independent, you know and like then there's also this sense of like it was very long term, forward thinking, you know, 2013, 2016, this is what it's going to be. You know, where the GM plan was just like maybe in 2010 we'll have something for you and it's going to be good. You don't have the same forward looking statements. I like this one a lot better, but I think Ford is just in a better position.

Participant 3: That's a good point, cause I guess when I was reading it I was like, well, I'm not really an investor for ford, so it really doesn't mean anything to me, but that's a good point, cause I feel like the forward thinking to who, their customers, internal, you know, it's an internal thing, it wasn't and I think that was an important thing.

Participant 4: Yeah, it definitely had a different feel to it, less of a spin doctors and more of a, like a, like you were saying forward investment things, and really deep into the jargon of, you know, um, like a portfolio or something, I don't really understand.

Participant 2: It did feel like Ford was trying to respond to criticism either. Whereas GM is trying to avoid and Chrysler is sort of trying to fix it, but it really felt like Ford, beside the initial statement about this is our plan to change our commitments and things like that, it really feels, um, I guess, I forget what I was saying, but to get back to it, it felt less defensive. It felt very open, very honest and more confident. It felt like they have a plan, you know, especially with the exact dates. If you guys do this, then this will happen and we will be around in 2013 and 2016 and we will be doing this, which is a bold statement really with the economy considering the bankruptcies.

Lindsey: But Ford didn't consider bankruptcy.

Participant 2: Oh, okay.

Lindsey: Ford didn't even take any government money, but they were required to still compete with GM and Chrysler in terms of plans and planning because they are lumped under the "Big Three" umbrella. So, a lot of people don't realize that Ford didn't take any of the money.

Participant 2: Yeah, see if, I don't know how many press releases they had on it or how much media coverage, but that is something that you need to take advantage of and that is the one thing that they don't really do. You know, you need to market that you were strong enough or that you were opposed to taking taxpayers money because you were here for the American people and not to use them, which I think would be really wise.

Participant 4: You could even name a car after it.

Everyone: {Laughter}.

Participant 4: But I think that he's right, that you should say that every chance you get all over the place, separate yourself from the other two.

Lindsey: Good!

Participant 2: Of course reading them back to back you don't notice the Obama administration stamp anywhere in this one, but, you know, I think if I were Ford, I would stay as far away from that as possible, because Chrysler and GM both have to reference it.

Participant 4: Has Ford used union labor, aren't they, they aren't UAW, are they? Aren't they the only one that isn't?

Lindsey: I actually don't know about the unions I have just been following the financials.

Participant 4: I think that kind of goes with the {inaudible} government takeover. I think it parallels the unions that are involved with these two.

Lindsey: I would agree.

Participant 4: I think that's a huge part of it. Ford, I mean, I don't think it's any mystery that for, uh, that Ford didn't have all that union power and all those benefits and all the, you know, workers that are lying around getting double time on Sunday that's just a big part of it, I think.

Lindsey: Yep, cost savings. They can save themselves.

Participant 2: But, Ford does take a lot of heat because they outsource a lot, they go to other countries and I think they built a big plant in Mexico a couple of years ago.

Participant 4: GM has a plant in Mexico. I mean they all do that, I think.

Participant 2: It's kind of an interesting contrast with the foreign auto companies building plants here and then all the American companies are going elsewhere. You almost wonder if after this whole bailout thing has blown over, if that is going to become a bigger issue again. You know, what is a foreign car, you know? Honda's building cars in Indiana and Ford's building them in Mexico, so what's really the difference?

Participant 4: That lines been blurred, I think. Just being on a union job, I've had arguments with guys with that whole deal, because I drive a Subaru that's built in Indiana and they're driving a sierra that was built in Mexico and I'm like mine is a little more American than yours.

Everyone: {Laughter}.

Participant 4: It is, so I think that line has been blurred. I think the customers are seeing that a little bit too now, I think, but, uh, I think they are just going to continue to struggle.

Participant 2: It has to be exacerbated by this whole thing too. Especially, with like, Chrysler for example, where now Fiat is taking over, so now you are technically foreign, but before you were owned by Mercedes anyway. We're spending a whole lot of money to keep you here, but what are you really giving to us? At least Chrysler tries to address it, GM doesn't. You know, and then Ford really doesn't have to, but it's still an important issue, it's not like they won't get caught in that storm. So, it just cannot be a good situation combining those two elements.

Lindsey: So, has your perception of the Big Three Automakers changed through reading these? Do you feel like you have a clearer picture or a better understanding of what they're attempting to do?

Participant 5: I think Ford's has changed a little bit, because I didn't know, they do sort of get lumped into that "Big Three" and I had no idea that they didn't take bailout money. So, I don't think that the press release really changed that, it was just knowing that they didn't because it wasn't written in here and it wasn't in the video, you know, that they didn't take bailout money. So, I agree that that would be a huge strategy for them to not only repair their image, but just make sure that their image is distinct from the other two, because they're being lumped, they're being lumped together.

Participant 2: I feel like I learned a lot more about Chrysler. I feel a lot better about, if I were purely an investor, I would feel a lot better about Chrysler, um, because I feel like there's more responsibility there and more options, that they are a bigger and better company now. But there is {inaudible} that we've talked about. I think really from an investor standpoint that I know a lot more about Chrysler and feel better about them.

Participant 5: I drive a foreign car, so I really can't say anything.

Participant 4: I think my opinions were just reinforced. I kind of already had an idea, I researched it a little bit, but I think their statements really just highlight, just kind of an exclamation point on their, what I already felt. So, pretty much negative about all three, but maybe not as much about Ford. I already knew they didn't take bailout money, and I respect them for that, but as far as GM and Chrysler, I just think that they are blowing smoke and I have even more cynicism towards them now.

Participant 5: I wish that one of them would have addressed all of the corporate spending, I mean nobody did.

Participant 2: Yeah, there's something we didn't talk about.

Participant 5: Nobody addressed it, you know, they're cutting all these jobs, but these CEOs are still getting huge bonuses and huge salaries and you know.

Participant 2: They did fire all their people, I mean they didn't say it, but it's a totally new board and apparently GM's guys aren't even running the show.

Participant 5: They are making millions of dollars and flying in on private jets, maybe not the same people, but they didn't change any of their corporate spending, they're just changing who they're giving the money to.

Participant 2: I think Americans can be receptive to that on some levels. I think that Americans can understand that, yeah, you're a CEO and need to be all over the world all the time, I understand you having a jet, but not when you're going to congress asking for money.

Everyone: {Laughter}.

Participant 4: Didn't they take a bunch of bonuses or something too right after their, right after this thing, they all got a bunch of bonuses and it was just...

Participant 2: Like a slap in your face, especially in light of the 20,000 people that they're laying off. That's the stuff that really aggravates me, you know? I understand why you need a jet; I don't understand why you need ten million dollars because you ran this company into the ground.

Participant 3: Honestly, I never even thought about the Big Three Automakers, and now I am starting to understand your point of view. He's been barking, not barking, at the TV, and I was like, well, I don't care, but, um, yeah its, um definitely my opinion has, I feel like I have an opinion now and that is the same as his.

Participant 1: I wouldn't say that my attitude has changed, but if I was an investor, I would have a little more confidence in {inaudible} But I wouldn't say my attitude was necessarily affected because I was like okay.

Participant 5: I kind of respect what he said at the very beginning was just that this doesn't mean anything without, until something happens, you know? You can write all the press releases you want and spray them with perfume, and you know what I mean, all the words you want, but until something happens, that's what's really going to change people's opinions.

Participant 2: But at the same time, I have one hundred percent confidence, I don't know that these companies are going to survive, but I have one hundred percent confidence in two things. They are all going to fire a lot of people and they are going to continue their corporate exuberance. Nothing that was presented here did anything to affect those two things.

Lindsey: Okay, if you guys could give one piece of advice to any of the three, either positive or negative, what would it be?

Participant 5: I think like, to Ford, what we talked about earlier was, you know, make people know that they didn't take bail out money.

Participant 1: Differentiation.

Lindsey: Which is one of the strategies.

Participant 5: Absolutely. Yeah, I think that is going to be a good strategy for them.

Participant 3: That is one of the image repair strategies? Differentiation?

Lindsey: Yep, it really is. I am so excited right now. Yep.

Participant 4: Take a tour of, I've done work in both types of plants. I've worked in a GM plant, the Chrysler plant here and a Honda plant. I think they both need to take their execs through a Honda plant and see how they do things because there is a reason they're so successful. I think that there is a formula there that they have that they make money. I mean, they know what they're doing, if like, the place is clean, it's safe the employees are happy, it's bright, they just get it. And you go into an American, uh, GM plant and it's just a mess, it's dark, everybody's overweight and, I mean, they're on smoke breaks, I mean it's just a different environment. A totally different environment and I just think that it starts there.

Participant 2: If I were Chrysler, I would try to change that Chrysler name. You know, maybe keep it on the Chrysler cars, but change it, the name of the company {inaudible}. You don't want it to seem like a foreign company coming in, but something new, something that is catchy, something that hints of an American thing. You know, and you can still keep the Chrysler name on the cars, but for a group like that, you should change the name. And then long term, I think that every one of, GM and Chrysler have to pay back those bailouts, as soon as like, possible.

Participant 1: Yeah, maybe even like addressing a schedule or something. {Inaudible} and then making a commitment that we will pay back these loans in {inaudible}.

Participant 3: Um, maybe also, um, a less of a glossing over of the, their products and more transparency of their corporate spending, I think, addressing those internal issues, maybe.

Participant 2: GM could try some sincerity, I think. You know, it's just too many, we're going to close down these big plants and we're going to do this, we're going to do

this, with no acknowledgement at all of what's really occurring there and it does just make it seem cold, like it was just read by a computer, or something.

Participant 4: I think it's kind of weird that GM decided to part ways with Saturn, when in my image, my perspective Saturn was, that was there part of the company that {inaudible} for me just had the image of a Japanese style plant or operation. That had the little bit better fuel economy cars that were safer. I don't know, I just get the feeling that that was their best car at GM, and they just got rid of them, part ways and I just can't figure out why they did that. I think they should have kept them and maybe called them Saturn. Or at least modeled their business model around what Saturn is doing right, cause I feel like Saturn was doing it right.

Participant 2: I think that Saturn was successful.

Lindsey: And it was bought by Penske.

Participant 4: Penske bought it.

Participant 2: {Inaudible} successful, but, I mean, the thing that GM, I mean, GM has to, I would strongly recommend firing that management team, cause they're clearly incapable, I mean clearly, I think it's pretty obvious. And then, um, bringing in new people that state strongly that this is a GM plan for success and not for survival and, um, try to break away from that government thing as much as possible. Obviously, that, that's a dance with the devil in a lot of ways, you know it's tough to get another partner, but it's, just, they need it to look like there's some kind of thought {inaudible} that that thought is from Capitol Hill and it's actually coming from their board rooms and they're considering everything.

Lindsey: From a capitalistic organization.

Participant 2: Yeah, it does not appear that way at all.

Participant 1: Even changing some of the wording. I mean, like, I understand what we are trying to do, but how can you change the wording to make it, GM came out and said, you know what, we've got way too many dealers, here's what, here's kind of why it happened and this is what we have to do. We know it's going to affect some of these and this is how we're going to address that problem instead of, we're going to cut jobs. Making it more human in a way, would help making it sound less, it will have a long term affect on lots and lots of people.

Participant 2: Or at least give me a better reason that to break even, you know, it'd like long term profitability of the company. It's necessary so that we all don't go under, something like that, not; this is going to make our {inaudible} look good. You know, it's like, you know.

Participant 3: Also, you know, addressing the issues of, you know, what benefits are the taxpayers going to get out of, you know, how are you going to address those issues and making it, um, you know, um, kind of like what we talked about with the Chrysler, like less emphasis on the global worldwide, you know, takeover, or whatever, not takeover, but to more of a local benefit, helpful.

Participant 2: That would need more than a press release.

Everyone: {Laughter}.

Participant 4: There's more than a dangerous, they're treading on dangerous ground I think with the, if you give tax credits or tax breaks to customers that buy GM and that company's owned by the government, then I think that, I mean, if I were Honda and I

{inaudible} and the government gave that company tax breaks. It almost like a mandate that you have to buy our cars and that's not what we want.

Participant 2: I think it's more than threatening that a company that is more than eighty percent owned by the government has a majority of its board picked by the government. You know, it's like, that to me is, I mean, we all know that GM's CEO, I don't know if he stepped down, buy the time of this press release, but we all know he eventually stepped down at the urging of the president. It's a whole lot of, I don't think {inaudible} like that, you know? I mean, I can't imagine the far right or the far left, but I just can't imagine that being a scenario that as an investor or a person buying a company invokes any kind of confidence, because at the very least, what happens when the president goes on to something more important and you, I mean, actually have to run the company.

Lindsey: Any other comments?

Participant 4: I think that the government should stay out of the, I think the government should not have given money to them and should not have done a protective loan like they did, but I did fell like I realized that and I understand why the government wanted to be on the board because they invested in it, I mean, they like went with it, that came with it, it's like, we gave you all this money, but we're not going to , we want to keep the money within ourselves, we want to look at it, you know, so that's what I think they did there, but shouldn't have given them money in the first place and stayed out of the private sector and let them, I think, let them fail, for a lack of a better word. And it was, maybe could have been worse in the long run, but, uh, for workers here, but I think better in the long run for yeah, so.

Participant 2: I think that money, I think in ten years, if these companies get out of this, they will be regretting the bailouts, because I don't think even if you pay them back that you ever get out of that government, you know, realistically in ten years if the government wants to change the management team, cut salaries or close down a plant, I really don't think that you'll see them not be able to do that.

Participant 1: Making a strong suggestion that.

Participant 2: Yeah, that to me is the real tradeoff there, I mean obviously people will lose out here and the taxpayers and the employees, but, I mean long term, I think the bailout is going to be viewed as a terrible decision. Just because, I cannot imagine they are not in control and all the practical reasons, you know, that's just like what you said, you can offer tax credits to these things, and you know, what is going to control the company, anyway. You can fire a CEO, you can draft Viability Plan, you can {inaudible} fallout, you can pick the board, well then that's control. What worries me as a stock, as an investor buying stock in this company is who is controlling it, that really is it.

Lindsey: Right, anything else? That's it, that's all it was.

APPENDIX G

Focus Group 2: Transcription

Lindsey: Okay, now as we saw in those video clips all of the Big Three Automakers needed government funds available. Two of the three did take bailout money, GM and Chrysler, and then both of those declared bankruptcy later on. So based on what you saw and what you remember about all the media coverage that followed the “Big Three’s” bailout request, what actions do you think deserve a response?

Participant 1: A response from whom?

Lindsey: A response from the “Big Three.” Like what actions did they do or didn’t do that they would now be required to respond to an audience? What were the offensive acts they committed?

Participant 2: I would think, obviously the kind of corporate executive spending and the lifestyles where they’ve become accustomed was frustrating as a an everyday, so to speak, American who struggles to even buy one of their automobiles to see that they didn’t even show up in one of their own cars, but a jet and you know, it’s frustrating when you think about twenty five billion dollars is a huge amount of money especially in the economic times and it just makes you frustrated with the whole system and why it has failed for this long and why no one has intervened.

Lindsey: Right, what does everyone else think?

Participant 1: I think that, uh, you know, obviously the senior management that was being interviewed, you know, they don’t want to lose their jobs, they like where they’re at and they like the lifestyle that they have become accustomed to even though they know that it will probably change, but to not, you know, to cut the white collar jobs and the

blue collar jobs, you know, that's a necessity, but for no one to really step up and say, you know, I ought to not be in the position I'm in or, you know, or even mention that certain executives should step down or be replaced, you know, seemed like it was, and, I think, some of the management did, but it was not without a lot of wrangling.

Participant 3: Kind of along the same lines, they didn't even have, even if people in management had not stepped down, they didn't even have anyone else come in and say, okay here's a way to reorganize. They didn't even ask for third parties to come in and look at that, let alone have anyone step up to the plate.

Participant 2: Yeah, it's kind of like asking someone to decorate your whole house but having no input as to why it needs decorating in the first place. It seems as though, uh, there should have been some outsiders going in to help restructure, rebuild and also when you look at some of the larger investment banks that went down, um, my sister was in two of them, but she was safe the first round simply because she wasn't a top executive, she made a smaller salary, so ultimately she was doing enough work with a small salary for the company versus the executives who had been there for fifteen, twenty, forty, fifty years were ousted first round because they needed, still the man power without the exuberant salaries and I just don't think the automakers really adjusted to what needed to be done.

Participant 4: I thought it was shocking that they didn't have someone guiding them before they even set out. That they didn't even think of that because I would think it would have been beneficial for them in terms of team building to find some commonality that didn't divide the executives from the workers.

Participant 5: And I apologize, I am really naïve to a lot of this. I was out of the country the months surrounding it and I really had no interest in keeping up. But, um, what happened with, like did some of the executives step down then as a result?

Lindsey: They either stepped down or were forced down. It differs depending on the maker.

Participant 5: That works as a form of apology to me, the common person, just because, was it Romney that said they need a re-vamping of the executives and the management style? And I agree that that's a huge, almost look what we're doing to make things better. I can definitely see that as a strength.

Participant 1: They kind of went beyond themselves and said look at the, you know, the greater good of the company, or the larger economy and say, you know, while I'm a, you know, inherently greedy, as we all are, you know, I still want to, you know think that it's best for everyone else if I just step down and that never really happened, I don't think at least not at that particular time.

Participant 2: And I think it's interesting if we look at what roles union ideologies play in this whole thing, because you think about a lot of other corporations, it's a capitalistic perspective as far as everyone for themselves, you want to make it to the top, you put in the hours to get out what you need; however, in this situation, how much of the union ideology kept people at bay, kept, so to speak, intruders at bay who want to restructure, reorganize something that the unions have ultimately built and maintained for decades and how that effected the ultimate willingness of people to say, you know, for the greater good, for the company, I am going to step down rather than, for the workers or me, the union member I want to stay.

Participant 4: I think that later I found out the unions were part of the problem, because they didn't want to give up the salaries and the benefits they had to be comparable to the Japanese automakers and that was disturbing.

Participant 1: I heard the line that, you know, GM had become a health care, or a compensation, or a benefits company that happened to make cars as opposed to a manufacturing company that provided benefits.

Participant 2: And I'm not super familiar with, uh, kind of union protocol, but it seemed as though when the auto industry was high flying and doing great profits in the nineties, you hit, you know, your salary and with union guidelines, you can't, if the company's not making the same profits, you don't have to drop that salary because you're kind of locked in and I didn't know if that's why they were losing all this money that had, you know, the workers who have been in it for twenty years who, you know, were making seventy thousand dollars a year in 1995, but, you know, in 2005 they're not making the same profits, but they still have to provide those salaries, so I didn't really know from an economic perspective if that had something to do with the sustainability of profits.

Lindsey: Well, that ended up causing the need for a bailout and eventually the bankruptcy of GM and Chrysler, but not Ford. Ford did not take bailout money or declare bankruptcy, so what about those two items, do you think that taking the bailout money and the declaration of bankruptcy deserves some sort of response from the "Big Three"?

Participant 1: I mean, its part of the, I don't know. We've made it part of the process, bailing out industries, here and there, and I think it's important to think, and I, you know,

they mention in one of the news articles that there is not just, you know, GM, or one of the actual employees of the auto industry, its all of the do or die shops that feed into all of the suppliers that feed into those, and all of those dinners and everything that immediately surrounds that, so you know, I think that that's an important aspect, that just wasn't highlighted enough or really emphasized enough, I think.

Participant 5: I agree because when you were, instinctively knowing little about it you just kind of get angry. You're like greedy, you see these executives flying in their jets but you don't think about the dinner guys, you don't think about the little shops that contribute to the larger picture. I think that makes me feel a little less uneasy, I guess, about throwing so much money at them when you consider everyone involved and not just these, these big companies that are trying to keep their high salaries.

Participant 3: I would agree and along the same lines, what deserves, I guess, some kind of acknowledgement would be bankruptcy rather than the bailout money, because it is showing, you know, okay, like (Participant 1) was saying, we have done this before, we have given bailout money as long as they're restructuring and, uh, reorganization, I guess, and it would have been nice to see that that was actually done, and if some changes were made, the bankruptcy wouldn't have been as hard to, you know, acknowledge, but since that bankruptcy came and continued past structure was used, is what needs to be alerted and I think now that we can look back and see that, you know, the executives were forced to shut down and like a reorganization was done that was kind of, I guess, the aftermath of it.

Participant 2: And it seems that these Asian car markets are leading the forefront in adapting technology for the future and I think part of my resent for these "Big Three" is

that part of wishes that they had gone bankrupt as part of , as, and almost dissipated as a representation of the fact that these sort of updates and rewired thinking for the future and for energy and for the environment should have been done a heck of a lot longer ago and it just seems that whether it was patents that were bought up to keep the industry just as it was, you know, we like gasoline and all the jazz and we don't want to restructure or revitalize our model plans or anything like that. It just seems that they missed the boat as far as adapting to the new consumer and left a wide open door for outside competing markets.

Participant 4: For Ford, I think Ford with the Ford Focus, I think that was the number one car, they gave the American population something a little bit more reliable that was...

Participant 2: And perhaps that's their saving grace and why they didn't go down.

Lindsey: Okay, at this point I would like to start reading the press releases, each of you individually and to frame your reading, what I want you to do is to look for statements or sentences or ideas that you feel were effective in terms of restoring their image or repairing their image and ineffective, stuff that you think should not have been included or would have reworded or changed in some way and including the boilerplates, which are the paragraphs at the end of press releases that are stamped on to give company information, so a few of them are a little longer, but I just want you to scan through them and see which statements stand out to you in terms of effective image repair or restorations or ineffective.

Participant 2: And these were released to the general public?

Lindsey: Yes, and I will give you the rationale for why I chose press releases. We all get our news from different media outlets, internet, TV, newspapers, whatever. Press

releases are the way organizations get their specific message out to the media outlets, so it's kind of the central point where they get it.

Lindsey: So, what did you guys feel, starting with the Chrysler press release, were some of the strengths, what were some effective statements, ideas and sentences that they used in this that would help to help their image more, um, I guess, better for lack of a better word?

Participant 5: They use a lot of phrases and words, like, uh, going forward, significant step towards, um, new, building on they use step towards like three times, just kind of showing that they are moving forwards, that they are growing and changing and perhaps you can interpret that as learning from the past or putting that in the past and moving forward.

Participant 2: I think they title it Strategic Alliance, it almost gives the connotation of they sought someone out, they know can do it better and are willing to be humble about it and join forces with Fiat and also, I believe, to be the only ones to mention the government and President Obama's administration, which also, at that time had the cutting edge, positive, young, fresh connotation of change and so I thought that was a smart perspective to do that. Additionally, to adapt to this forward thinking they give you the transparency of follow Chrysler news and video in, you know, Twitter, YouTube, Streetfire, so it's hitting all different demographics. Were hip enough to be on Twitter, but we're transparent enough to be on YouTube, you know, we are the car of the future, hop on board.

Participant 5: Also, with like putting yourself out there and giving the consumer direct links you're saying, we're saying these things, now go ahead and see if you believe us and if we actually stick to them, kind of holding themselves accountable.

Participant 1: I like the last sentence of the first paragraph, they give an impression that it was, there was some immediacy that things needed to change now. Yeah, so we're going to begin operations immediately, and I thought that was important to stress that up front in that first paragraph to tell us that they're not trying to waste any time, so.

Participant 3: A couple other things that I noticed were they used things like environmentally friendly vehicles and then it mentioned it again, environmentally friendly, fuel efficient, high quality vehicles, so they're just using that repetition in order to identify with their audience and also, they, one of the key issues that they kept talking about were management, you know, Fiat's management expertise and business turnaround, so again highlighting that power of others and humbling themselves.

Participant 5: Also, they are worldwide. I thought this one mentioned global, overseas, I mean, I see three 'globals' just on the first page and they really seem to emphasize that.

Participant 2: And I got the sense that they were seeking diversification versus the other two in the way they talk about the board of directors and how at some points it seems almost irrelevant, like why are they bringing in this guy or this person? It just gives you the, uh, idea that they're bringing a lot of different perspectives together, which again goes with their forward thinking.

Participant 1: I did like that they, in, it would have been the second paragraph on the second page here, they tell us specifically, un not specifically, they gives us, you know, some information as to who's going to be running the show now and where those people

are going to be coming from, so I mean there are some new leaders as evidenced by who's on the new chief executive officer or the nine member board of directors.

Participant 3: And also in that same board of directors, how they include, you know, one of the members will be appointed by the Unites Autoworkers retirement medical trust benefits, not just, you know, from a union member, from someone who has been then and worked their way through it and knows what's going to {inaudible}.

Participant 5: They also used a little bit of, not flattery, but just complimenting. Um, on the third paragraph, you know, talking about how it's a significant day, and our dedicated employees who have persevered and then, uh, you know, it's a great day for everyone and...

Participant 2: The way they mention the devoted workforce makes you think that was something that was overlooked in other press releases, you know, kind of the bottom up {inaudible}.

Participant 3: I know you said, uh, to look for lines that were significant and the lack of lines because again, what I noticed between the three, this is one that said, we will be cutting sixty thousand employees and kind of said, we're changing and restructuring, but yet you could still go along with it and be okay with it because you weren't thinking about all those other little companies that go along with this and are affected by this. I thought that was kind of strategic.

Participant 4: Yeah, I think there was a clear difference between the ones that are circling the drain and one that knows they're going to make it and one that is on the fence and it, in the first sentence, um, just my gut reaction when I read it said, forming a new Chrysler, I thought, oh lame, they're trying to back pedal and I thought the same thing

when, um, in the fourth sentence when it says, work is already underway, it seemed like they were really trying hard to dig themselves out, but I also noticed some strong terms like international distribution workforce and um, I also noticed the devoted workforce and a culture of innovation, I wouldn't think of them as, I thought of it more with Ford because that's the first assembly line that's innovation to me. I didn't recognize that Chrysler had that as well. And then the other thing is that all taxpayers, until all taxpayers are {inaudible}.

Participant 1: I don't think it's mentioned enough really, I mean all the money they're taking, it's not like a lump sum, now granted it is a lump sum of money, but it's not as if there aren't strings attached. You know, I definitely would have emphasized that really in the beginning. It's just like a loan, I mean it's a huge loan, you know, not with a lot of penalties, or, I don't know, the interest would be relatively higher on, but it's just like another loan, like a consumer loan that we would get. So, it's not like technically a handout because over time the idea is to pay it back and that's never really, maybe that comes off as being too defensive but that would have helped, I think, to put some perspective on things a little bit.

Lindsey: Okay, is there anything is here that you thought was ineffective, that they should not have included?

Participant 1: Well, I think the use of environmentally friendly, fuel efficient, high quality vehicles all in one sentence without any sort of substance, you know, it feels like it's an industry buzz word, really, I mean if, they're important definitely and other auto manufacturers are able to provide that, but, you know, just to push them all together in one sentence, you know, oh well, of course we want to be environmentally friendly and

fuel efficient and all of that, but, you know, there's really no sort of substance as to how that's going to happen, not that it's easy to do, but.

Lindsey: Anyone else?

Participant 2: I thought it was interesting just they mentioned that Latin America and Russian markets, I don't know if that's an area that haven't capitalized on yet or just some justification of why there. It just seemed like, oh, Latin America and Russia, okay alright.

Participant 1: With no mention of China.

Participant 2: And it's like, oh, why, cause we haven't, you know, tapped that and also built there, you know, it's like well, we haven't got to Antarctica, might as well give it a go.

Everyone: {Laughter}.

Lindsey: Anything else with the Chrysler press release either positive or negative?

Participant 5: I just especially liked lines like, in addition, I just really picked out the words like, moving forward, making new steps, um, the last page, or the last line of the first page, they say, we are ready to prove to the American consumer that Chrysler can once again be strong. That really shows an accountability or like a we're really in this, just strong statements like that, I think really jump out to me.

Lindsey: Anything else? Okay, let's move on to GM. What do you think were positives and negatives in this press release?

Participant 3: The first that I noticed was, like, a name to their plan, so right there it says the Viability Plan, you know, I just thought that was effective, that anytime you give a name to something. Then again, further and faster, they highlight, you know, four

significant changes that they're going to do, so that always a definite benefit, um and then they're taking responsibility, you know, our responsibility is clear, in the last paragraph of the first page before the second title, um, and again they're saying that we're going to do whatever we can to negate the effects on the GM side. I just think again, powerful phrases like (Participant 5) was saying.

Participant 4: Definitely that we have strong new product coming from our four core brands. The four brands, you know, are solidified.

Participant 2: Which kind of goes with their theme, I guess, of leaner. They use that word throughout this entire thing. With leaner you think cut the fat, they're going to be leaner, faster, but it doesn't seem as progressive as Fiat and, um, Chrysler because it almost seems like we're just trying to keep our head above water, we know we're in rough shape, cutting back nameplates, which I assume that that is some sort of executive, like what do they mean by nameplates? Like offices?

Participant 3: I thought they meant like {inaudible}.

Lindsey: Yeah, they're talking about the brands, not the four core brands, but the extra ones they've added.

Participant 2: So, the terminology maybe some insider, but it just seemed a little more jargon focused than the others not like mainstream, but you know, along with leaner they mention just simple breaking even throughout this, the second page, so they're not trying to set the world on fire, they're just simply trying to survive, which was the tone I got.

Participant 3: Also, in like the first article, they do say, you know, um, the Viability Plan at the direction of President Obama, you know, his treasury, so I think that that is definitely a strength of theirs. And in there, just about their company in the bottom of the

last page, where they say GM's Onstar subsidiaries are the industry leaders in vehicle safety kind of highlighting on that and {inaudible}. And, oh, number dropping, people, I don't know, I think it's kind of, a strength and a weakness there, in this article, but one that's benefit is that GM expects a debt reduction of at least twenty billion dollars in, you know, I think that will definitely be a positive for them and then in the very next statement saying, blah, blah, blah, you know, at least forty four million dollars of debt reduction, so.

Participant 5: They also stress the urgency in there, but in a less, I don't know, I don't want to say comforting, the first one was like yeah, we need to do this because it's essential. This one's like, we're accelerating the timeline, these actions are critical, like it makes it appear scarier, which I guess is like do or die.

Lindsey: Anything else positive or negative in this?

Participant 1: I think any reference to the Chevy Volt as their, well I think its negative given that this car has been hyped for so long and if you look at it now, it's supposed to be the saving grace, and they mention it on the third page at the bottom, very important development and testing of the Chevy Volt extended range, blah, blah, blah and arrival at Chevrolet showrooms soon. You know, that's one car out of, you know, all the other brands that they're running out of and the Chevy Volt.

Participant 2: Seventeen million annual vehicle sales.

Participant 1: Yeah, and the Volt retails at like fifty or sixty thousand dollars or something like that, I mean, I just don't think, I think it seems out of touch. They talk about the {inaudible} but they don't talk about how they're going to be better. They just say that having lots of them is going to somehow, and maybe it will, having less to focus

on will allow you to pour more quality into those, but, you know, I don't know if they know by reading this, they just rattle off, hopefully more popular lines and hope that people will buy into that.

Participant 5: Something that I did throughout was I'd mark when there was some kind of promise or supposed guarantee, like it's our responsibility to, we anticipate to improve, blah, blah, blah, these costs are projected to decline and then I get to the last forward looking statements, and it's like, oh we made these promises, but they might be out of our control.

Participant 1: Is that necessary to include that huge disclaimer {inaudible}?

Lindsey: I don't know, what do you guys think about it?

Participant 3: I thought that was definitely a negative.

Participant 2: You know if you were feeling built up at all, at the end it's like, wha-wha, just kidding no guarantees, read the fine print.

Participant 3: It's interesting too, just because the outline of how it was written, you know, you get to that end statement and you see about GM and you're done reading, so. A couple of other things I noticed, again, like the numbers just saying, what is it? You know, hourly employment levels are going to drop for sixty one thousand to forty thousand and, you know, you just think that looks negatively on those people that these are their jobs that their income relies on and also, um, the acceleration of six plants idling or closures, I think that in the February 17th plan, I'm not sure when these were released.

Lindsey: It was April.

Participant 2: So, less than a year and you're going to drop six plants and that affects a lot of people.

Participant 5: But do you respect it for being so transparent?

Participant 2: And one other thing, it says on the very first page, all of these significant changes on the forefront, oh wait, maybe I read it wrong. Oh yeah, I did, never mind.

Participant 4: It just seemed to me that it should be called the quest for the viability plan instead of the Viability Plan.

Lindsey: Anyone have anything else for GM? Okay, let's move on to Ford. What do you think were effective and ineffective statements or ideas in this press release?

Participant 4: Well, they mention, um extending or enhancing or resolving the credit facilities, which they already had one in place, it seemed like a much stronger place to be because that's not an easy thing to put together there. They used words, like, you know, enhance and additional cushion to show the stability that was already there.

Participant 3: I liked again how, maybe it's just something I like, but our One Ford Plan, again, giving a name to their equity distribution plan.

Participant 2: They seemed a lot more confident, um, they give specific, concrete dates or commitments and um, use terminology like, we expect the moves rather than we hope and pray, cross your fingers, kids.

Participant 4: Since Ford has filed the registration statement for its prospectus, so it's like, we know we're in the driver's seat.

Participant 5: The use of so many dates does hold them accountable again.

Participant 1: Well, I think it feels like, this is definitely the shorter, the leaner of the three, but it feels like after reading these two and then reading this one it's, you know, they have a lot less explaining to do first of all and they feel that they don't have to, uh, share as much because they don't have as much on the line, like we don't have to tell you

everything, there's no real mention of any plan moving forward. In fact there is no mention at all of product lines and how they will change, but, you know, they don't have to, you know, That's just sort of the impression I'm left with, they just do a little financial wizardry here and then they're alright.

Lindsey: Do you think that's because they didn't have to take any bailout money, I mean, they asked for it and they were there to support the other "Big Three" members but they didn't take any bailout money and they didn't declare bankruptcy, so could you see this difference in the press release, because it sounds like that's what you're getting at?

Participant 1: Yeah, I think that's probably the case, you know I think, and I don't know how close they were to accepting bailout money or declaring bankruptcy, but I think that they, you know, they seem to, their problem seems to lie in the, you know, financial side of things as opposed to the manufacturer side of things, and you know this is very specific financial jargon lingo in all of this and I didn't understand a lot, you know, convertible debt offering and honestly, the first time I saw convertible, I thought they were taking about a car, you know.

Participant 5: I was the same way, when I looked at Ford, I didn't understand a lot of it, but I took it as they're confident, like they don't need to make it, whatever, suitable for everyone, because it's not quite as necessary as the others. The others have something more to lose and something more to prove.

Participant1: These would have all been written after all that went down, right?

Lindsey: Well, not after the bailout or bankruptcy.

Participant 3: That's the one other thing I thought was strange, they mention eight, you know, pretty big names that are part of the book writing managers or who are, so trying to get back to that credibility.

Lindsey: Any other strengths or weaknesses in this?

Participant 5: I liked, um, their, what do we call the little closing?

Lindsey: A boilerplate.

Participant 5: I should know that. It's just very concise and within it, it was like, we're global, we have ninety plants worldwide. It was very effective because of the, like we're still trying {inaudible}.

Participant 3: And the website, so again showing {inaudible}.

Lindsey: So, has your perception of the "Big Three" changed overtime, throughout this whole media blitz, reading these press releases, even now, what have your thoughts been and have they been changed?

Participant 1: When it all went down, you know, I guess I supported all of it because I look at the number of jobs, again as we talked about a little bit earlier, the jobs and all the related infrastructure around that, I mean, you know, those go under and then all of a sudden you've got, you know, instantly millions of people, potentially, that don't have jobs and that's sort of the way I sort of looked at it, but overtime, and I don't know if it was the corporate jet thing, I mean, I guess I'm just sort of hardened to a lot of it. I would expect everybody, every CEO to do that regardless of where they were at or what industry they were in. You know, I was a lifelong Chevy driver until this past car, you know, this past car we bought like three months ago, so, um you know, so but I didn't

specifically seek out and say, oh, I'm never driving a Chevrolet again, it was just honestly the quality of the cars is what it boiled down to, so.

Participant 3: I was going to say, along the same line, I just bought a car not too long ago as well and what I was thinking about was is it dependable, where in the United States can I, you know get someone to work on it, will it be easy to fix, whatever. I went to two different, well several different dealerships, but one was an actual GM certified place and one was just a place that sold a variety of different cars. At the GM place, I was very impressed because I, I don't know if this has anything to do with this, but they don't work off commission anymore, they are just making a salary, so I really liked it and they try to make their money, you know by buying a car, but they said it's GM's new thing to do the salary pay, which is again looking at the benefit of their employees because they're not selling as many cars as before plus you're not trying to force a sale.

Lindsey: So, has anyone else's perception changed of the "Big Three" or of any one, individual car manufacturer?

Participant 2: I grew up in a family where we always bought American, Oldsmobile, Buick, it all stayed in the family, um, but now, you know, I am so disenchanted with the, kind of progress and it all started last spring, I went to a shuttle launch in Cape Canaveral and I thought, we have been putting people in outer space since sixty nine and we're still complacent with, like, trucks that get, like, eighteen miles to a gallon. It just seems ridiculous that we coin ourselves as this, you know, super power, but we're not getting it and so I'm a little frustrated and obviously I'm in the market for a new car someday, two hundred and fifty thousand miles on the Buick and it's a 2003, I do a lot of driving, Maine to Florida like a hundred times. But, I'm looking forward to what they'll have

next. It's like a challenge for me, like what can they offer me that's not the same old same old, because I'm not going with, like, nostalgic here, I'm going with what's up next. I'm not loyal anymore.

Participant 4: I'm loyal to foreign and I {laughter} I am at the point where I might consider a Ford, if I had to.

Participant 1: Yeah, I would say of the three, I was sort of indifferent, I kind of grouped all three of them together, I think that Ford, really does, they did really stand out, not really how they handled it or what they offered, but really it boiled down to what they offered, like the Ford Fusion is a pretty slick car and you know, we looked at that and the Ford Focus, I mean they just, now granted, they are taking, I guess, a page from some of the other foreign manufacturers, but, in their design and, you know, but, you know, and I don't want to take up too much time, but I guess part of the things that I was really struck with was when, you know, they talk about how the question was posed to some of the executives, why you, why were you making SUVs and F150s, you know, for decades and not even ramping up any smaller cars, and they'll turn around and say, well it was, you know, the demand of the customer, it was American demand and everyone wanted it, but I'm like, you know, part of me I can see it, but I can really see Honda and Toyota are number one and number two, I mean that doesn't really jibe up.

Lindsey: Okay, then I'm going to ask the last question. If you guys could offer a piece of advice to the "Big Three" in general or any specific Big Three Automakers, what would it be, either positive or negative? So, what would you tell them to do and what would you tell them not to do in order to help rebuild their image?

Participant 4: Wow, my problems the unions. I'm stuck on that wanting to keep their jobs and still wanting to make a lot of money and keep their benefits. Somehow they just don't seem to get it.

Participant 5: I know words are sometimes empty, but, like we say in Sheeler's apologia, like, just a genuine apology goes along way. Even one of my calendars day by day, it said something like nothing compares to a heartfelt apology or nothing, It's kind of true, I mean it doesn't give the jobs back, it doesn't really, you know, whatever, lots of things it can't really do, but that's a starting point for me, like before I really start to believe in what someone's doing to repair something whether it's an image or an entire company or an entire nation, if there's an apology needed, well then I don't even know if that would be from the executives, who are now gone, so it's kind of tricky.

Lindsey: I get it, that's very good.

Participant 2: I would say, going along the same lines, an apology is needed even with the new blood in the executive seats. Just reaching out to the public and simply saying, we need you. We need you to help us get back to where America's industry needs to be and almost, I think, they could probably spin it in some patriotic, America got us here, let's give back to America. Is the whole loan business kind of frustrating that, okay America is helping you out big time, they're unloading the mints for you guys, what are you really going to do for us, so I don't know, it's just, maybe, reaching out to the consumer and saying that he matters to us, like our workers matter to us, we want to make you happy, come help us.

Participant 1: I'd probably stay focused on a lot less lines, you know, don't give me so many options. You can't really make anything, you know, right as it stands now, you

know, they can't, you know, it seems like they're too watered down, you know? If they focused on, maybe if they retire a few lines here for a decade or so and then, maybe, introduce another car as some sort of limited, you know, and then try to build the excitement for, you know, the car. Like what they did, and I'm not a big car person, but, you know, they retired the Chevy, the Camaro for a couple of years and then re-overhauled it and brought it back and it looks pretty sharp, I mean I'd never drive one, but, um, it looks a lot different than what it used to be before and they're making a lot less of them and I remember, you know, people driving beat up, crappy Camaros in high school, I mean, that's just, like, you know?

Participant 2: Whitesnake!

Participant 1: That, uh, you know, don't water yourself down, you know?

Participant 5: Kind of back to the quality versus quantity.

Participant 2: I mean, I drive home going by all these different car lots and it almost makes me sad, the oversaturation of the market and you have all of these new, beautiful cars, but with no means to really sell them and no one really wanting them, so maybe building back some sort of need without them being all over the place.

Participant 3: I would say one other thing, again, one of the things I really liked with the GM article was the four significant changes that they were going to do so just hitting up and following through on those four changes and maybe for the other two just having those steps or however your moving forward and really relying on those few points and narrowing down their focus to a few rather than all of the car talk, I guess.

Lindsey: Anything else? Any other pieces of advice? Okay, thank you for your time. That was it.

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CURRICULUM VITAE

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Education

- Indiana University, Indianapolis
Degree: Master of Arts - 2010
Program: Applied Communication - Concentration: Corporate Communication
- Purdue University, West Lafayette
Degree: Bachelor of Arts - 2004
Major: Communication - Concentration: Public Relations
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Teaching Experience

- 2009 Associate Faculty, Department of Communication Studies, Indiana University, Indianapolis.
- 2008 Assistant Lab Coordinator, IUPUI Speaker's Laboratory, Department of Communication Studies, Indiana University, Indianapolis.

Research Experience

- 2009 Research Assistant, Department of Communication Studies, Indiana University, Indianapolis.
- 2009 Audience Analysis Research Position, Handi-Capable Hands, Indianapolis.

Publications

- Anderson, L. B., Deering, E. N. & Noblet, N. P. (In press) Staying Oncourse: Communication recommendations for the IUPUI School of Liberal Arts.
- Anderson, L. B. (In Press) The role of religion in the workplace: Can faith-based initiatives succeed in a secular society?

Conference Presentations

- Sheeler, K. H. & Anderson, L. B. (2009) Obstacles and opportunities for advancing women's political representation in the Czech Republic: A preliminary survey of the literature. Paper presented at the IUPUI European Studies Conference, Indianapolis, IN, December.

Anderson, L. B. (2009) University students differing gender experience of 'job creep' in Poland. Paper presented at the annual meeting of the National Communication Association, Chicago, IL, November.

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Awards and Honors

2010 Nominee for outstanding graduate student at Indiana University, Indianapolis
2009 Solution Center Scholarship
2008 Recipient of the IUPUI University Fellowship
2006 C. P. Morgan Land Development Synergy Employee of the Month
2004 Member of the Golden Key International Honour Society
2004 Purdue University Dean's List
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2003 Purdue University Semester Honors

Campus Engagement

2010 Member of the Communication Week Planning Committee
2010 Co-Director of the Curtis Memorial Oratorical Contest
2010 Judge for the Dominata Classic Speech Competition
2009 Vice President of the Graduate Communication Club
2009 Judge and host for the Curtis Memorial Oratorical Contest
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2009 Judge for the Indiana State Individual Events Tournament
2009 Member of the fall Speech Night Committee
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2008 Member of the fall Speech Night Committee
2008 Member of the IUPUI Graduate Communication Club
2004 Public relations campaign for Compeer – Executive Director
2003 Public relations campaign for Bruno's Restaurant

Professional Organizations and Affiliations

- National Communication Association (NCA)
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Related Work Experience

- 2007-2009 C. P. Morgan Communities
Title: Corporate Inventory and Bond Coordinator
Responsibilities include the coordination of lot purchases in Indianapolis and Lafayette. Managing the corporate lot inventory and the corresponding budgets for all markets. Creating and maintaining the corporate lot inventory system. Ordering and releasing bonds based on municipality and project specifications.
- 2005-2007 C. P. Morgan Communities
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Responsibilities include managing the Homeowners' Associations in both Lafayette and Indianapolis. Planning community events and establishing relationships with homeowners and management companies. Updating financial reports monthly and reconciling the land development checking account. Processing all land development and HOA invoices on a weekly basis.