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SERGIO MARCHIONNE, "Fiat 500 Production Celebration," Los Pinos Residence, Mexico City, Mexico City

Sergio Marchionne
Chief Executive Officer, Chrysler Group LLC
"Fiat 500 Production Celebration"
Los Pinos Residence, Mexico City

President Calderon
Members of the Presidium
Colleagues and friends
Buenos dias!

It is truly a privilege for me to bring you greetings on the behalf of both Chrysler Group and Fiat on a day of celebration for both our companies.

I would like to thank in particular President Calderon for doing us the honor of inviting us to Los Pinos. It makes today even that much more special.

Mr. President... you may recall that just over a year ago I promised you that I would come back to celebrate the launch of the Fiat 500.

And so it is with great pleasure that, today, I keep that promise.

The start of Fiat 500 production at our Toluca assembly plant is an important milestone for all of us for a variety reasons. To begin with, the car that is built here, in Mexico, has the responsibility and the honor to reopen the door to the Fiat brand that has been missing from the North American continent for 28 years.

And for the Mexican market, where the 500 has already been sold for several years, this marks an important shift from a vehicle which has been imported from Europe to one that is built locally.

The 500 is the first tangible evidence of the historic alliance that is being built between Chrysler Group and Fiat.

The work we have done together to adapt the car to the different needs of the North American market highlights the way in which we are building and managing our partnership, and that something much more profound than a business opportunity is taking place.

Fiat and Chrysler are undertaking a cultural integration based on mutual respect and humility, based on equality and the willingness of each partner to learn from the other.

This is ultimately the true strength of our partnership and I believe the most precious part, whose value lies in the incredible human wealth created for our people and companies.

The Fiat 500 also embodies a step forward in the achievement of sustainable mobility.

With its low fuel consumption and its low CO2 emissions, it is an ambassador of a genuine concern for the environment and an approach to ecological responsibility whose time has finally come.

In addition to all this, Fiat 500 production here is an important landmark because it reaffirms Chrysler's commitment to Mexico.

Our roots here go deep, all the way back to 1938.

Today, Chrysler has nearly 7,000 employees and six plants in Mexico, among which we build our popular Ram trucks and the critical new Pentastar engine in Saltillo, as well as stamping operations.

And now Chrysler de Mexico is overseeing distribution of the Fiat brand in the country, bringing the professionalism and full support of all its resources. I am glad to confirm that by this fall, we will also bring the Alfa Romeo brand back here, more than one year in advance of our plans for the U.S.

Regarding the Toluca Assembly Plant, it is the only one in North America to build the Fiat 500, and it is the only one in the world producing the Dodge Journey.

Toluca also will soon be building the Fiat Freemont along with the Fiat 500 EV, the first Chrysler fully electric car.

Our commitment to the plant is strong and significant.

In order to prepare the Toluca plant for Fiat 500 production, we invested \$550 million and created more than 600 new jobs, compared with the 400 we originally estimated.

We also are implementing the World Class Manufacturing system, which empowers workers to play a vital role in improving safety, efficiency, quality and flexibility.

Our people took part in more than 60,000 hours of training and they have contributed nearly 25,000 suggestions to improve our operations.

But there is something more special that goes beyond these numbers.

And I am very pleased that some of our Toluca Assembly workers were able to join us today.

When I went to the plant, what I saw on their faces is devotion, attachment to their jobs, a feeling of responsibility for managing their own future, and a commitment to build a great organization.

To those workers - representing all our people at the Toluca plant - I want to express my deep gratitude for the passion and the commitment that you are bringing to your jobs.

It was not by chance that we chose Toluca to build the 500.

Mexico is in an ideal position for production of this car. Because of its free-trade agreements with neighbors to both the north and south, it is a bridge between NAFTA and Latin America.

Our target is to sell about 50,000 Cinquecentos in North America and another 50,000 in South America.

By the third quarter of this year, we also will be exporting Mexican-built Fiat 500s to China.

Our decision to build here also is evidence of our faith that this country has reached a stability and solidity which augur well for the future.

Like nearly every country in the world, Mexico was hit hard by what has been called "The Great Recession."

But you began to recover faster than many other countries, and last year the Mexican economy expanded by 5.5 percent - its strongest growth in a decade.

In terms of automobile assembly, Mexico is now one of the Top 10 producers in the world.

This is a significant achievement and it shows that this is an environment that helps and supports new industrial initiatives.

I congratulate President Calderon for the way his administration has handled the economy, has improved the macroeconomic fundamentals and is helping to modernize Mexico.

These are all factors that played an important part in our decision to build the Fiat 500 in Toluca.

Our future plans are ambitious.

After rejuvenating our product line with 16 new vehicles in just 19 months, we have set important goals in terms of sales and profitability for the years to come.

But what is important to understand is that Chrysler is much more than just a company that manufactures cars and trucks.

We are a company with a strong sense of values. Among these values are fairness, integrity, responsible management of the business, and service to others in the communities where we live and work.

These values ensure that a sense of responsibility always prevails over indifference, dedication over disinterest, conscience over the fashion of the day. They ensure that human dignity is a part of every decision we take.

I would like to close by once again thanking the government of President Calderon for his support that made our investment possible, and that of Governor Peña, for his assistance and encouragement in this momentous venture for Chrysler.

We look forward to working with you and to being a vital, contributing part of Mexico for many years to come.

Thank you all.

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