

Automotive News

Chrysler again urges dealers to order more cars

Press: 'You can either help us or burn us all down'

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DETROIT -- Chrysler LLC executives, making their second sales plea to dealers in two weeks, urged them today to order 15,000 more cars by Monday to keep the company viable.

"You have two choices," said Chrysler co-President Jim Press. "You can either help us or burn us all down."

The executives said 70 percent of the dealer body had heeded the company's request to order 78,000 vehicles they had been allocated for February. Press made the first plea Jan. 24 at the National Automobile Dealers Association convention in New Orleans.

"We've got to get the cash flow coming in so we can get to March 31 as a viable company," Press said in a conference call to dealers this afternoon. "By doing that right now, we can begin to harvest the long-term benefits of the investments we're making."

"By successfully keeping the doors open in January and February, we'll get the loan," said Press, referring to \$4 billion Chrysler has received from the U.S. Department of Treasury. Chrysler must submit a plan to the government by Feb. 17 to show it's a viable company. The government will decide by March 31 whether to keep the loan in force.

The automaker is seeking an additional \$3 billion in U.S. aid.

Chrysler spokesman Rick Deneau declined comment on the sales call.

'Bucket brigade'

"Think of this as a bucket brigade. Right now 70 percent of positions are filled. If we don't get the other 30, we'll all burn down," Press said in extending Friday's deadline for orders until Monday.

Press also told dealers: "If you decide not to do that, we've got a good memory of who helped this company make it."

He urged those dealers who aren't in a position to order cars to discuss their situation with the company.

Chrysler's U.S. sales have dropped by more than 50 percent in each of the past two months as industry sales totals fell to their lowest mark in 27 years.

Press urged dealers to absorb some short-term pain in the hope of long-term prosperity. He told dealers that if Chrysler can make it through this "rough patch" it would be able to offer a fleet of fuel-efficient vehicles coming from its proposed partnership with Italy's Fiat S.p.A.

Steven Landry, executive vice president of sales for North America, also spoke to the dealers. It was Landry who cited the 15,000-vehicle wholesale target.

Chrysler reported a 151-day supply of vehicles on Feb. 1, more than twice the level considered optimal. Measured in units, the company's U.S. inventory was down 13 percent from a year earlier, to 359,980.

After Press' fiery speech at the NADA meeting, some dealers emerged saying they were so inspired that they would change their plans and order vehicles.

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