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Auto Execs Fly Corporate Jets to D.C., Tin Cups in Advertisement Hand

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There are 24 daily nonstop flights from Detroit to the Washington area. Richard Wagoner, Alan Mulally and Robert Nardelli probably should have taken one of them.

Instead, the chief executives of the Big Three automakers opted to fly their company jets to the capital for their hearings this week before the Senate and House -- an ill-timed display of corporate excess for a trio of executives begging for an additional \$25 billion from the public trough this week.

"There's a delicious irony in seeing private luxury jets flying into Washington, D.C., and people coming off of them with tin cups in their hands," Rep. Gary L. Ackerman (D-N.Y.) advised the pampered executives at a hearing yesterday. "It's almost like seeing a guy show up at the soup kitchen in high-hat and tuxedo. . . . I mean, couldn't you all have downgraded to first class or jet-pooled or something to get here?"

The Big Three said nothing, which prompted Rep. Brad Sherman (D-Calif.) to rub it in. "I'm going to ask the three executives here to raise their hand if they flew here commercial," he said. All still at the witness table. "Second," he continued, "I'm going ask you to raise your hand if you're planning to sell your jet . . . and fly back commercial." More stillness. "Let the record show no hands went up," Sherman grandstanded.

By now, the men were probably wishing they had driven -- and other members of the House Financial <u>Services Committee</u> weren't done riding the CEOs over their jets. "You traveled in a private jet?" <u>Rep.</u> Nydia M. Velázquez (D-N.Y.) contributed. Rep. Patrick T. McHenry (R-N.C.) felt the need to say that "I'm not an opponent of private flights by any means, but the fact that you flew in on your own private jet at tens of thousands itself dollars of cost just for you to make your way to Washington is a bit arrogant before you ask the taxpayers for money."

It was a display of stone-cold tone-deafness by the automaker chiefs. In their telling, they have no responsibility for the auto industry's current mess. Threatening the nation with economic Armageddon if they are not given government aid, they spent much of the session declaring what a fine job they've been doing in Detroit.

"Chrysler really is the quintessential American car company!" Chrysler's Nardelli boasted.

"We have products that are winning car and truck of the year regularly," General Motors' Wagoner proclaimed.

"We are equal to or better than Honda and Toyota," Ford's Mulally added. "Every new vehicle that we make, whether it's small, medium or large, is best in fuel efficiency. The given is safety. And we have more, at Ford, more five-star quality and safety ratings than any other automobile."

1 of 3 11/20/08 5:33 PM Committee Chairman Barney Frank (D-Mass.) cut him off. "Thank you, Mr. --"

They would have to go later, because members of the committee wanted to turn the session into a special edition of "Car Talk." Rep. <u>Mike Castle</u> (R-Del.) spoke of his '99 Jeep: "It probably has about 150,000 miles on it, and it's still running doggone well." Rep. <u>Jeb Hensarling</u> (R-Tex.) invoked his '98 <u>Jeep Cherokee</u>: "Small problem with the back hatch staying open; we can talk about that afterwards." Rep. <u>Michele Bachmann</u> (R-Minn.) praised her Chrysler minivan. Rep. Judy Biggert (R-Ill.) had good words for her Jeep but complained that it didn't come in a hybrid version.

"I drive the same '66 Plymouth Valiant that I've always had," Ackerman proffered. He went on to discuss a problem with the GPS system in his Cadillac. "I wanted a loaded car in blue; I had to reach out to five states to find one in blue," he complained.

It seemed everybody had a car story to tell. Rep. John Campbell (R-Calif.) let it be known that he was a car dealer for 25 years. Rep. Stephen Lynch (D-Mass.) disclosed that he had worked at the GM plant in Framingham. Rep. Donald Manzullo (R-Ill.) wanted to see more ads for the car made in his district, while Rep. Michael Capuano (D-Mass.) said the Edsel was once made in his home town. Rep. Walter Jones (R-N.C.) read from Cicero and held up photos of cars. And Rep. David Scott (D-Ga.) had no car stories to tell but delivered the surprising news that the problem with the Titanic was not its collision with an iceberg.

Detroit area lawmakers made passionate arguments that the carmakers had already done what "they possibly can to restructure and become globally competitive," as Rep. <u>Thaddeus McCotter</u> (R-Mich.) put it.

But the executives were not helping their own case. When Rep. Paul Kanjorski (D-Pa.) tried to find out when GM would run out of cash, Wagoner hemmed and hawed until the lawmaker protested that "I don't quite understand what the hell you just told me." When Rep. Ed Perlmutter (D-Colo.) asked about GM's outlook for the quarter, Wagoner informed him that "we don't provide financial guidance in earnings."

So it was hard to feel sorry for the executives when Rep. Peter Roskam (R-III.), late in the hearing, reminded them again that "the symbolism of the private jet is difficult," and mischievously asked the witnesses whether, in another symbolic gesture, they would be willing to work for \$1 a year, as Nardelli has offered to do.

"I don't have a position on that today," demurred Wagoner (2007 total compensation: \$15.7 million).

"I understand the intent, but I think where we are is okay," said Mulally (\$21.7 million).

"I'm asking about you," Roskam pressed.

"I think I'm okay where I am," Mulally said.

2 of 3 11/20/08 5:33 PM

[&]quot;And the best value!" Mulally blurted out.

[&]quot;Commercials can go later," the chairman proposed.

And don't even think about asking him to fly commercial.

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3 of 3 11/20/08 5:33 PM