

Regional Review:
North AmericaRegional Review:
South AmericaRegional Review:
EuropeRegional Review:
Middle East and AfricaRegional Review:
Asia Pacific

REGIONAL REVIEW: SOUTH AMERICA

Despite a very challenging economic climate, we continue to invest in a product lineup that delivers great consumer experiences across all segments. We remain optimistic about the opportunities that lie ahead when the outlook improves.

“Ford has been present in South America for more than 100 years, and we are very proud of our deep roots and great heritage. Despite the challenging economic scenarios faced across the region during recent years, Ford has continued to invest in more sustainable operations and meaningful contributions to the communities where our employees and their families live and work.

From the many hours of volunteering service dedicated by our women and men to the rigorous management of natural resources in our plants and offices, Ford South America confirmed once again its commitment to making people’s lives better through innovative products, efficient services and responsible operations.

Looking ahead, we will remain focused on delivering exciting vehicles and great experiences to our customers, who are in the center of our decisions, but never losing sight of our responsibility as an active corporate citizen of the South American automotive industry.”

Lyle Watters

Vice President, Ford Motor Company and President, Ford South America

AT A GLANCE

- 3 primary markets: Brazil, Argentina and Venezuela
- 13,657 employees
- 8 manufacturing plants

HOW WE'RE DRIVING CHANGE

Case Study

Reducing Vehicle Emissions and Fuel Consumption

The Brazilian government’s Inovar-Auto program, designed to encourage automakers to produce more fuel-efficient vehicles and invest in the automotive sector, imposes energy efficiency targets on the country’s light passenger and commercial vehicles. A minimum 12 percent improvement in fuel efficiency from 2012 to 2017 was required to avoid incurring additional tax. Furthermore, tax breaks are granted if greater improvements are achieved. Ford has not only met the regulatory target but was also granted a 2 percent excise tax reduction for achieving more challenging CO₂ emissions reductions.

Contributing to our progress in this area, Ford Brazil began the local production of the innovative 1.5 Flex three-cylinder engine in Taubaté, São Paulo state, in May 2018. This engine and its best-in-class technologies provides a reduction on fuel consumption as well as a high-performing product for our customers.

After its successful introduction in the EcoSport lineup in 2017, the 1.5 3C engine will also equip the new Ka lineup from mid-2018.

A FOCUS ON DRIVER SAFETY

Across the region, we remain committed to building safe vehicles with additional driver assist technologies, and encouraging safer behavior behind the wheel through training and awareness programs.

- Ford Driving Skills for Life and *Luchemos por la Vida* (“Let’s Fight for Life”), which together support driver education for 15 to 18-year-olds, have been active in Argentina since May 2016. More than 6,000 students have attended face-to-face workshops at 46 public and private schools around Buenos Aires. A new online training launched in 2016 has recorded 74,000 visits since its debut, and more than 1,100 young people have received certificates for completing the course.
- In Brazil, the local Heavy Trucks division is piloting innovative technology that encourages drivers to take a break at the first signs of fatigue at the wheel. The *Boné Alerta* (“Safe Cap”) is equipped with sensors that interpret patterns of repetitive head movements that could indicate that the driver is drowsy. The hat then emits three alerts – sound, vibration and light – to indicate that the driver needs to take a rest before continuing their journey.
- Ford has introduced enhanced Emergency Assistance features in all models in Brazil. Should an accident activate the airbag or cut off the fuel pump, the driver’s phone – paired to the vehicle’s infotainment system – will dial the emergency services immediately, without human intervention. The updated function also collates data on the type of collision, whether the airbag was deployed, how many safety belts were buckled and the rate of deceleration of the vehicle.

Related Page:

> [Customers and Products](#)

USING LESS FRESHWATER IN OUR OPERATIONS

In 2017, Ford Brazil saved more than 35 million liters of freshwater in its operations, as consumption decreased to 2.82 m³ per vehicle from 2.98 m³ in 2016. In the last five years, the São Bernardo do Campo complex reduced freshwater use by 35.8 percent and the Camaçari plant achieved a 38 percent reduction. Water-saving actions included reusing condensation from air conditioning units.

Related Page:

> [Operations](#)

Regional Review:
North AmericaRegional Review:
South AmericaRegional Review:
EuropeRegional Review:
Middle East and AfricaRegional Review:
Asia Pacific

MATCHMAKING WITH MOBILITY IN MIND

Ford Fund and Artemisia, an organization that supports social impact businesses, launched the first Ford Fund Mobility Innovation Lab in Brazil in June 2017. From over 150 startups, 20 were selected for a short-term acceleration process comprising workshops, webinars and mentorship from Ford and Artemisia experts. Three participants – JAUBRA, Onboard Mobility and Garatêa – received seed capital worth \$6,600 from Ford Fund to make their solutions scalable and sustainable.

In December, we hosted a “matchmaking” event for innovative mobility startups at our São Bernardo do Campo plant. The meeting, held in conjunction with the Brazilian Service of Support for Micro and Small Enterprises (SEBRAE), encouraged the exchange of ideas for mobility services and technological solutions that could be incorporated into our vehicles.

TESTING THE APPETITE FOR RIDE SHARING

In 2017, Ford Brazil conducted a ride-share pilot scheme for local employees. In partnership with the online carpool platform Caronetas and the WiiMove app, the program gathered data about the behavior and transportation needs of employees. This information will inform future developments in transportation and mobility.

Related Page:

> [People and Society](#)

Case Study

Taubaté Celebrates 50 Years

In October 2017, Ford Brazil celebrated 50 years of the Taubaté Industrial Complex in São Paulo state. The anniversary was commemorated at a ceremony in April 2018, attended by Ford South America's president Lyle Watters, state governor Márcio França and the mayor of Taubaté, José Bernardo Ortiz Junior, and around 1,500 Ford employees.

The event also marked two other milestones: the first 1.5 Ti-VCT three-cylinder engine and the first MX65 manual transmission rolling off the production line. Brazil was the first market to launch a car (EcoSport) with the new three-cylinder engine, originally imported from India. It now joins India, China and Mexico as the only markets to produce one of Ford's most advanced engines.

Internationally recognized for its quality and efficiency standards, the Taubaté plant – the heart of Ford's powertrain strategy in South America – has produced 8 million engines and 7 million transmissions to date. We have now updated the entire plant with fully automated machining and assembly lines, and integrated the concept of lean manufacturing, providing process efficiency and high productivity.

To mark the plant's momentous 50-year milestone, Ford Brazil produced a [short video](#) featuring real stories of the employees at Taubaté.

“The local production of the new engine and transmission is another proof point of Ford's focus in serving customers with versatile products that offer great fuel economy without compromising the performance and the pleasure of driving. To achieve this, we invested significantly in equipment, systems and in the improvement of processes. We also invested in our most valuable resource – people – with an ample program with more than 250 hours of training.”

Lyle Watters

President, South America, Ford Motor Company

COORDINATING OUR IMPACT ON SOCIETY

Ford Fund oversees and coordinates our volunteering efforts and philanthropic investments, supporting initiatives in environmental conservation, community life and education.

Environmental Conservation and Biodiversity

- Through the Ideas Contest platform, Ford Motor of Venezuela awarded the ninth Henry Ford Ecological Merit Award in 2017. Participants undertake six months of training from professionals and academics, and the winners also receive legal advice from Ford's Legal and Governmental Affairs departments. The award went to the Echo a Better Tourism project, in the indigenous community of Paraitepuy de Roraima, in the Gran Sabana region.

Supporting Education and Training

- In 2017, Ford Motor of Venezuela held its fourth automotive training program Conduciendo tu Futuro (“Leading Your Future”), providing another group of 30 unemployed young people not within the education system with the chance to increase their technical and entrepreneurial skills. The participants received four months of on-site training, certified by the University of Carabobo.
- The Ford Education Program for Young People offers educational support and technical training for low-income students at public schools in Camaçari. The program, a social project supported by Ford Fund in Brazil since 2015, provided training in management, ethics and professionalism to 75 students aged 17–18 in 2018. A pilot robotics course for 25 middle school students, aged 14–16, was also introduced this year. The classes are based on LEGO methodology, aiming at developing abilities such as logical thinking, creativity and teamwork, as well as stimulating interest in innovation, science and technology. The program has benefited 300 young students since it was launched in 2015.

Social Investment and Impact

- In 2017, Ford Brazil again distributed 10,000 sustainable backpacks and school kits to underprivileged children from public schools in Camaçari. In partnership with nonprofit Projeto Axé, women from low-income families had sewing classes, enabling them to make the backpacks from recycled Ford uniforms.
- Ford Argentina employees worked with NGO Movimiento Agua y Juventud to give rural communities and schools access to safe water. In December 2017, a project to supply clean water to two communities in Santiago del Estero province was completed, with 270 beneficiaries.
- Active since 2011, the Odotomóvel mobile dental clinic offers a free service for schools across Brazil. Using Ford Transit vans, the program focuses on seeing children in public schools aged 2–15 through a partnership with the Secretariats of Education and Health, prioritizing areas with insufficient dental services. By the end of 2017, the five mobile units had served more than 20,000 children and performed over 141,000 clinical procedures in Camaçari and Candeias (Bahia), Taubaté (São Paulo) and Horizonte (Ceará).

Regional Review:
North AmericaRegional Review:
South AmericaRegional Review:
EuropeRegional Review:
Middle East and AfricaRegional Review:
Asia Pacific

FORESTRY PROGRAM TO IMPROVE BIODIVERSITY

Since 2002, the Ford Northeast Industrial Complex based at Camaçari has supported conservation activities in the Legal Reserve area. These include a forestry program that has enriched diversity, improved soil condition and created ecological corridors. By the end of 2017, around 83,000 native seedlings had been planted across 159 acres.

GLOBAL CARING MONTH

- In Brazil, around 1,600 employees joined Global Caring Month activities in September 2017, supporting local organizations Acer do Brasil, Lar Escola Santa Verônica, SOAPRO and Vivo Feliz by promoting improvements in their facilities, and donating food and books.
- In Argentina, 1,160 employees participated by sorting items for a food bank, holding the Ford Corre 2K and 5K runs in the grounds of the facility, providing reading assistance in primary schools and building homes in association with the NGO Vivienda Digna.
- Ford Motor of Venezuela also joined the celebrations in November, with volunteers helping restore a center for the elderly in Valencia, and donating toys, food, clothing and footwear to children in need.

Related Pages:

- > [People and Society](#)
- > [Please see our Annual Report 2017 for further information on our regional business units, including key financial metrics for South America.](#)