

#### **Recovery to Begin in October**



In the Aug. 19 issue of the Update, I explained our response to a supplier struggling to meet production volumes for the new Outback and Legacy. The Associates we sent have been instrumental in providing labor and process improvements the supplier needed to keep up with our production.

SIA will maintain some presence there for another month at least, but the exact length of time depends on the supplier's progress towards achieving their hiring plan and growth in process management skill. The production volume they are currently making,

plus a supplement of parts from another factory owned by this supplier will meet full production volume at SIA and provide us with enough parts to begin recovering the production we lost in August and early September.

The recovery begins with daily overtime in October, increases with Saturday production starting Oct. 26, and gets in high gear with a line speed increase to 1.09 on B-Line in February. We plan on recovering all the volume lost by March 2020.

This is an important objective because all indicators show that this vehicle is going to be a hit, with one reviewer even calling the new Outback the Best Subaru Ever Made. The demand for this vehicle will be strong and we must meet that demand. Customers are already remarking on the improvement in ride, handling and quietness. There is even an Onyx Edition targeting younger buyers living an active lifestyle, designed to attract the next generation to the Outback. Further, all indications say the U.S. economy will continue its longest expansion ever for the foreseeable future, continuing to power sales increases for the Subaru vehicles we make.

Producing this volume will be a challenging task, but to do it with quality improvement at the same time creates an even greater challenge. We are still at the elevated Defects per Vehicle (DPV) typical of a new model Start of Production (SOP). The DPV is beginning to stabilize and we will begin making a big push to improve the launch quality issues and get back to the pre-launch DPV. The timeline to achieve this goal is by the end of the year before starting the 1.09 line speed increase.

Recovering the lost volume and eliminating the launch quality spike are ambitious goal—but are goals we must attain. Thank you for your efforts to achieve both.

## Associates with Military Service Meet with Lawmakers in Washington, D.C.

Last week, a group of SIA associates who are current members or veterans of the U.S. military attended an industry "Drive-In" in Washington, D.C. The event was organized by Global Automakers, a group representing international automakers with operations in the U.S.

The Drive-In highlighted the impact that international automakers, like Subaru, have on the U.S. economy and celebrated the commitment international automakers have made to hiring U.S. military veterans. Tom Gibson, Bill Rich, Noah Ortiz and Rick Redman (all pictured) represented SIA and spoke with U.S. Senators Todd Young and Mike Braun about how SIA has impacted their lives.

The SIA associates joined with Subaru of America associates to express concerns to elected officials about how the threat of or implementation of additional tariffs could negatively impact the automotive industry. In total, 200 representatives from every international automaker participated in the Drive-In.





#### SIA Achieves 30 Years of Production and 6 Millionth Vehicle

SIA produced its 6 millionth vehicle, a 2020 Legacy on Sept. 16. The milestone occurred less than a week after the plant's 30th anniversary of starting production.

"Achieving both milestones within a week of each other is both exciting and humbling", said Scott Brand, senior vice president at SIA, who is one of 160 employees that has achieved at least 30 years of service at the assembly plant. "Thanks to our dedicated associates, we have come a long way in the last three decades."

At the time of its groundbreaking on May 14, 1987, SIA was a joint venture between Subaru and Isuzu. When production began on Sept. 11, 1989, the Subaru Legacy and Isuzu Pickup were both built at the plant.

In the years that followed, the factory continued to produce Subaru models in addition to other vehicles, including the Isuzu Rodeo, Honda Passport and Toyota Camry. However, SIA has exclusively produced Subaru vehicles since June 2016. In April, SIA produced its 4 millionth Subaru.

SIA is Subaru's only manufacturing facility outside of Asia. Since 1990, its annual output of vehicles has increased from 67,000 to approximately 390,000.

#### Volunteers Needed Thursday for Subaru Serves at LTHC Homeless Services

Associates are invited to join Subaru Serves for the next volunteer event on Thursday (Oct. 3) at 1-3 p.m. and 5-7 p.m. at LTHC Homeless Services. Help spread mulch, clean-up debris and more. To sign-up, contact Sarah May at sarah.may@subaru-sia.com. Be sure to include your name, badge number and preferred shift time.

### Friday is Deadline to Register for Team SIA at 'Hope On The Move'

October is Breast Cancer Awareness Month, and chances are good that you or someone you know has been touched by the disease. One in eight women will be diagnosed with breast cancer in their lifetime. Join the fight against breast cancer by walking with fellow associates at Hope on the Move (formerly Making Strides Against Breast Cancer) on Oct. 19. The walk starts at 10 a.m. at the Rec Center.

All Team SIA participants who register by Friday (Oct. 4) will receive a free T-shirt. To sign-up, visit main.acsevents.org/hopeonthemovein and select Team SIA. For questions, contact Peggy Allen at peggy.allen@subaru-sia.com or ext. 6796.





#### Tickets for Feast of the Hunters' Moon on Sale in Teamwear Store

Tickets for Feast of the Hunters' Moon this weekend (Oct. 5-6) are available for purchase from the TeamWear Store during regular business hours. Tickets are \$10 for adults and \$5 for children age 5 and older. Children age 4 and younger are free. SIA is the proud sponsor the Voyager Stage at this year's event.



#### Fall Used Car Sale Begins Next Monday

The Fall Used Car Sale, which gives associates and retirees an exclusive opportunity to purchase used SIA fleet vehicles at great prices, will return Oct. 7-20. This year's event will feature 26 Subaru vehicles, including 21 Outback models and five Legacy models. The sale is open to all full-time associates and is a great opportunity to purchase a Subaru at an unbeatable price.

Associates can submit as many as five entries to purchase vehicles. For each vehicle, there will be a random drawing from those entries, and that associate will be given the opportunity to secure financing for the purchase. Vehicles will be listed on mySIA and available for a test drive starting Oct. 7. For questions, contact Scott Bailey at scott.bailey@subaru-sia.com or ext. 6847.



## Registration Deadline for Next Session of 'Ready, Set, Retire' is October 8



Registration is now open for the next session of 'Ready, Set, Retire' on Oct. 15 at 2:45-4 p.m. in Room 115 of the main office building (next to the atrium). Sign-up on mySIA through Oct. 8.

This session will feature two speakers:
Maria Pearson of Henriott Group,
who is an expert on Medicare and
supplemental health plans for
individuals who are retired and age 65
or older; and Janet Winters of the Social

Security Administration, who will speak about maximizing Social Security benefits.

Due to limited seating in Room 115, this session will exclusively be available for associates who are at or near age 65 and close to retirement. Additionally, spouses will not be able to attend.

# Reminder: VIP Referral Program is Only for Immediate Family and Friends

Subaru of America has brought it to SIA's attention that associates have been advertising the VIP referral program on public social media forums. As a reminder, this program is for associates, associate's immediate family members, and associate's friends only. Please do not advertise the program to those you do not know. For questions, contact Scott Bailey at scott.bailey@subaru-sia.com or ext. 6847.

#### **Moved Recently? Update Address By October 11**

SIA associates who have moved recently are reminded to login to mySIA and update their contact information. On the left side of the homepage, in the 'Associate Self-Service' section, click the 'Update personal information.'

The 2020 Benefits Guide will be mailed out at the end of October. To ensure these are mailed to the correct address, contact information needs to be updated by Oct. 11 at 5 p.m.

### **Applications Now Available for Cornerstone Scholarships**

Are you a full-time SIA associate? Are you the parent of a high school senior this year? If so, your child is eligible to apply for the SIA Cornerstone Scholarship Program. Five students will be selected to earn \$1,500 per year for four years to an accredited college or university.

Beginning this week, scholarship application packets may be picked up in Associate Services. They are due back by March 9 and the scholarship recipients will be announced in May. For questions, contact Ruthanne Viars at ruthanne.viars@subaru-sia.com or ext. 6277.

|            |         | Actual              | Projected           | Sch. YTD           | YTD<br>Total       | End of<br>Month    |
|------------|---------|---------------------|---------------------|--------------------|--------------------|--------------------|
| ion        |         | 9/16/19-<br>9/22/19 | 9/23/19-<br>9/29/19 | 1/1/19-<br>9/22/19 | 1/1/19-<br>9/22/19 | 9/1/19-<br>9/30/19 |
| Production | Legacy  | 793                 | 872                 | 22,325             | 22,403             |                    |
|            | Outback | 3,340               | 3,200               | 126,122            | 126,548            |                    |
|            | Impreza | 1,103               | 1,347               | 54,242             | 54,415             |                    |
|            | Ascent  | 1,806               | 1,779               | 62,072             | 62,165             |                    |
|            | Total   | 7,042               | 7,198               | 264,761            | 265,531            |                    |

| moi                                 | nday   | JAPANESE RESTAURANT                        |  |  |  |
|-------------------------------------|--|--|--|--|--|
| FIT market                          | Cinnamon Rolls Fajita Salad Country Fried Steak Crispy Chicken Sandwich Chef's Select  | \$ 1.99<br>\$ 6.99<br>\$ 4.99<br>\$ 2.49   | 平成   |  |  |
| tues                                |  |  |  |  |  |
| breakfast<br>FIT<br>market<br>grill | Ham, Egg And Cheese Croissant<br>Apple Pork Loin<br>Diy Wedge/Tot Bar<br>Chicken Nuggets<br>Chef's Select                      | \$ 3.99<br>\$ 3.99<br>\$ .44/oz<br>\$ 3.49 | Monday:<br>Curry & Rice<br>Katsu Curry & Rice<br>(pork cutlet on curry & rice)                         |  |  |
| wed                                 | wednesday  |  |  |  |  |
| FIT market grill                    | Veggie & Egg Burrito<br>Chipotle Sweet Potato Salmon Burger<br>Boneless Wings Bar<br>Pulled Pork BBQ Sandwich<br>Chef's Select | \$ 2.99<br>\$ 4.99<br>\$ 5.99<br>\$ 3.99   | Karaage & Rice (fried chicken & rice)  Wednesday: Gyu Don (sweet beef on a bed of rice) Karaage & Rice |  |  |
| thui                                | thursday   |  |  |  |  |
| FIT market grill                    | Sausage and Egg Croissant Mezze Bowl DIY Taco Bar Meat Lovers Calzone Chef's Select  | \$ 3.99<br>\$ 5.99<br>\$ .40/oz<br>\$ 4.29 | Thursday: Katsu Don (fried pork on a bed of rice) Karaage & Rice (fried chicken & rice)                |  |  |
| frida                               | Friday:  |  |  |  |  |
| breakfast<br>FIT<br>market<br>grill | Breakfast Quesadilla<br>Roasted Turkey Breast<br>Stir Fry Bar<br>Spicy Chicken Club<br>Chef's Select                           | \$ 3.99<br>\$ 3.99<br>\$ 6.99<br>\$ 4.59   | Gyu Don<br>(sweet beef on a bed of rice)<br>Noodle<br>(Japanese soba or udon)                          |  |  |

### **Next Week**

A redesigned program to make service easier for your Subaru is coming back.

Watch for more information coming soon!