

THE ECONOMIC CLUB

O F W A S H I N G T O N, D. C.

**Excerpts from the Signature Event featuring Mary T. Barra,
Chairman and Chief Executive Officer, General Motors Company**

February 28, 2017

Right now, in the auto industry, we are seeing more change than we've seen in the last 50 years. . . . think about the cars you drive today, and rewind five to 10 years ago. Think about what you do in your car. You want your smartphone connected. You have . . . safety features all around you. We're working on autonomous and you're driving electric vehicles, or at least you have the option to. . . . the industry is being transformed, we're really changing the way people are going to get from point A to point B. So it's a very exciting time.

. . . think about when you come up to an intersection and you look up and the light is yellow and you have to make a decision. Are you going to pick up the pace and go through or are you going to come to a stop, and do you have enough room? An autonomous vehicle has sensed exactly when the light turned yellow, knows if it can maintain speed and go, or should it stop. That's really one of the benefits of autonomous vehicles. They're really processing all the information around them – actually more safely if done right – than we can, as drivers, with all the different things that we're taking in.

. . . ride sharing versus car sharing, where you're going to actually have a use of a car, whether it's a day, an hour, a month. We have a stake in Lyft, where we're participating in ride sharing. And then we have our own company, Maven, that is now in 16 cities across North America – or, across the United States– where we're doing car sharing.

. . . most importantly, we're focused on the customer. If we can remove pain points and make the experience better for our customer as they get from point A to B, that's what we're going to invest in because we think it's better for the future.

What has happened over the last several years is even trucks and crossovers that were maybe not as efficient as a car, have become much more fuel efficient. . . . What we really see now with low gas prices is people are going into maybe an up-level model of the vehicle, or maybe one size bigger. So they definitely are investing the money they're saving from the gas savings into the vehicle.

Over 80 percent of purchase decisions are either made or influenced by women.

. . . one of the most recent additions we've put into our vehicles . . . is a teen driver package. It comes standard, for instance, on the Chevrolet Malibu. It's a package where you can monitor the child's driving from a speed, but also from an acceleration/deceleration. So you really can get a sense of, you know, how safely your teen is driving.

. . . very disturbingly, in the last year fatalities in the United States had been going down, and now they're starting to go up. And . . . distracted driving is a big piece of it.

. . . I usually drive competitor models at our Milford Proving Ground. And anytime we go out to drive and test one of our new vehicles, we usually like to line it up against the competition and really know how we're performing. In fact, the head of product development does that every Friday afternoon with a team of engineers. They go out and test vehicles and they drive it against the competition.

. . . when you look at the Chevrolet Bolt EV, at \$30,000, we've really been able to put an all-electric vehicle into the marketplace with range (*235 on a single charge*) that really erases range anxiety for most people, and do it at a price that many people can afford.

We think this year, barring any macroeconomic kind of shock or threat, that we're going to have another good year. When the U.S. industry is in the high 17 millions [*of cars purchased*], even in the mid-17 millions, it's a strong market. It's very good. We think we're going to have another strong year.

We are in support of corporate tax reform. There are a lot of moving pieces in it, specifically for our industry. The border-adjusted tax, if not done very thoughtfully, could be problematic, just because we generally build where we sell. But in this region, there's a pretty integrated supply base between Mexico and Canada and the United States. It would take a period of time to make adjustments to that. So, . . . we support tax reform, but it's got to be done in a way that doesn't have unintended consequences and understands businesses like the auto industry that are very capital-intensive and have long lead times.

When we look at some of the regulations on the books right now, they compete with each other. And they actually will not allow us to go forward in a customer-facing way to do the best that we can. We think that there's some adjustments that can be made to conflicting regulations that would be helpful.

I think there are things that we can do – government, state, local, and federal government – working together to improve the education system.

[The greatest pleasure of being CEO at GM is] getting to lead a great team. The men and women of General Motors . . . are so dedicated and hardworking. And I personally have a great team. What . . . I think is the most amazing thing, is there's just such a talented group of men and women – it's really humbling to be able to lead them and to put breakthrough technologies onto the road every day.