



Ford Motor Company

State & Local Governmental Affairs
3025 Highland Parkway
Downers Grove, IL 60515

March 2, 2018

Senator Melinda Bush
124 Capitol Building
Springfield, IL 62706

Dear Senator Bush,

I write to you on behalf of Ford Motor Company in response to our conversation as it relates to the workings of the Illinois Senate Sexual Discrimination and Harassment Awareness and Prevention Task Force.

Ford is proud to have a longstanding and significant presence as an employer in the Chicago metro area. Ford's Chicago Assembly Plant, which we call CAP, and Chicago Stamping Plant, which we call CSP, are important parts of the Company's past and have critical roles to play in its future. CAP is our oldest active plant, dating back to 1924. At the beginning of this decade, as our industry was recovering from the Great Recession, Ford elected to dramatically ramp up employment and production at CAP, increasing employment from approximately 700 hourly employees in 2008 to over 4,100 hourly employees today, and from one shift to three crews per day. Ford continues to make substantial investments in these facilities.

Together, these two plants employ over 5,400 hourly workers (over 4,100 hourly employees at CAP and over 1,300 at CSP) in the South Side of Chicago. The average hourly worker at the Plants makes approximately \$27 per hour, higher than the average hourly wage in the greater Chicago area for all occupations and significantly higher than the average hourly wage in that area for similar production jobs. And along with providing secure, well-paying jobs, Ford has a responsibility to maintain a safe and respectful work environment. We admittedly have been grappling with a number of allegations of sexual harassment at our Chicago plants. I write today to explain how Ford has addressed these complaints and to express Ford's firm commitment to the safety and wellbeing of its employees.

Commitment.

To start, Ford is committed to a safe, harassment-free workplace for all employees. We are deeply dedicated to diversity and to ensuring a respectful and inclusive workplace at all of our locations, including CAP and CSP. Ford does not tolerate sexual harassment or discrimination, and we take all claims of harassment and discrimination very seriously.

This commitment comes from the top: Jim Hackett personally met with employees of Ford Chicago Assembly and Stamping plants in early January to reinforce how important it is that Ford have a workplace where everyone feels safe, respected and supported. During these visits, Mr. Hackett held open town hall meetings at both plants, took questions from employees, met with the plants' leadership committees, and walked the plant floor to speak with employees.

We firmly believe, and have made clear, that there is no room for harassment at Ford, that Ford does not want harassers at its facilities, and it will take immediate steps to address conduct that violates these policies. Indeed, as Mr. Hackett stated in his December 21, 2017 open letter on the subject which is enclosed with this letter, “We have zero tolerance for any behavior like this, and we will stamp it out together.”

In addition, a nearly three-minute video articulating Ford’s position on harassment and discrimination and detailing the procedure for reporting such behavior, hosted by Ford manufacturing chief Bruce Hettle and Vice President of the UAW’s Ford department Jimmy Settles, is playing on a constant loop at all of Ford’s U.S. manufacturing plants.

Comprehensive Approach.

Ford’s commitment to a safe, harassment-free workplace is further demonstrated by our comprehensive approach to preventing and addressing sexual harassment and discrimination at all of our facilities. This includes our anti-harassment and retaliation policy, which provides employees with a number of ways to report violations. Under our policy, employees can report violations to their supervisor, manager, or HR team. Employees also can call Ford’s dedicated harassment hotline, contact the Personnel Relations Office at Ford World Headquarters, or use Ford’s “The Right Way” app on their phones to report misconduct. In addition, we require all new hires to attend training that addresses our anti-harassment and retaliation policy and the company’s expectations for employee conduct. We have also tasked our Plant Leadership team with further work on the effort to empower our people at all levels to steward the kind of environment that they and their own families would feel safe working in. We also have a policy requiring salaried employees to disclose a romantic or familial relationship with another employee in their reporting chain or whose employment conditions they could influence. And if, despite these policies, an alleged violation occurs, we conduct a comprehensive investigation of any allegations of harassment, discrimination, or retaliation and, where corroborated, enforce discipline up to and including termination.

In addition, starting more than two years ago, we have taken further actions at our Chicago plants to reinforce our policies and to ensure an appropriate work environment there. Those actions include conducting more than 20,000 hours of training for all hourly and salaried employees to reinforce a standard of respect that is non-negotiable, as well as providing additional leadership and diversity training for all salaried employees and delivering additional training on how to properly investigate harassment and discrimination claims for our Human Resources teams. We also have incorporated a performance objective in the annual performance review process for senior plant leadership teams and human resources personnel to actively promote diversity and inclusion in the workplace and take appropriate actions to ensure compliance with anti-harassment and equal opportunity policies. In addition, we have increased Human Resources staff by more than 30 percent to provide investigations support and oversight, including a staff member that oversees investigations at both plants and reports directly to Personnel Relations at Ford headquarters in Dearborn.

And further resources are being dedicated to the Chicago plants: we have recently pledged to add several additional process coaches, additional HR headcount, and four temporary HR employees at CAP. Finally, we have committed to work with the UAW to continue to evolve our anti-harassment policies and to ensure that there is greater representation of women on the leadership team of CAP and CSP.

Investigations and the EEOC Agreement.

At the Chicago plants, we have investigated and taken action in response to complaints we have received of harassment and discrimination. Regrettably, some of the alleged misconduct was true. We are deeply disappointed that at any time any of our employees may have thought that harassing conduct was acceptable behavior, and we are sorry for any instance where a colleague was subjected to harassment or discriminatory conduct. We are intent on rooting out this conduct and handling it appropriately; in fact, during the past two and a half years, we have disciplined over 30 people at those two plants for sexual or racial harassment.

In addition, last summer, Ford entered a substantial agreement with the Equal Employment Opportunity Commission to address the complaints that were raised at its Chicago area plants, to institute further changes in the workplace, and provide meaningful relief to employees who are determined to have experienced harassment. We have agreed to pay up to \$10.125 million to resolve claims through the claims process, under which employees will receive a financial award if an independent panel agrees with their harassment or discrimination complaint. If there is money remaining, we will use it for equal employment opportunity purposes, such as training. We are actively working with the EEOC right now to implement that agreement, which also establishes the panel of three independent monitors, none of whom work at Ford, to oversee compliance related to harassment and discrimination, for the next five years.

Ford is proud to have remained one of the most successful and respected companies since its founding in 1903, and to have been a prominent employer in the Chicago area for almost 100 years as well. As detailed today, we are working hard to continue to ensure that all of our employees, including those at the Chicago plants, come to a workplace each day that is safe, respectful, and motivating them to do the best job possible. We take this responsibility seriously, and we are committed to fulfilling it for our invaluable and hardworking team of employees in the Chicago area.

Thank you for your time.

Sincerely,

A handwritten signature in black ink that reads "Anthony T. Reinhart". The signature is written in a cursive style with a long horizontal line extending from the first letter of the first name.

Tony Reinhart
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