CEO: GM Aims For Investment-Grade Status This Year

Tom Krisher, AP Auto Writer

DETROIT (AP) — General Motors CEO Dan Akerson said Wednesday he hopes the company regains investment-grade credit status this year.

He told reporters that the company is working with credit rating agencies to raise its status from junk, where it's been since 2005. Akerson said the company's recent $11 billion credit line received investment grade rating, showing that banks are ahead of the ratings agencies.

Companies with investment-grade status get lower interest rates when they borrow money.

The stock price of General Motors reached a 52-week high in late morning trade, jumping 3 percent to $30.28.

Akerson also said GM sales in North America should outpace the rest of the market this year. Last year, GM's U.S. sales rose 3.7 percent, slower than the 13 percent industry-wide increase.

GM predicts that total industry sales in the U.S. will increase from 14.5 million last year to between 15 million and 15.5 million this year.

Akerson also forecast small growth in his company's U.S. market share in 2013, largely fueled by new vehicles such as the Cadillac ATS small sports sedan.

Akerson, 64, said he expects to be GM CEO at this time next year. Beyond that he says he doesn't know. GM's board, he said, does periodic talent reviews as part of its succession plans, adding that there is a "stable of very capable leaders" to succeed him at the company.

He said that GM is in discussions with the United Auto Workers union about lump-sum pension buyouts, but he wouldn't comment further.

The company offered buyouts to white collar workers and switched its salaried pension plan to an insurance company annuity last year. GM's pension plans have far less money than needed to meet their obligations.

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