

# **GM, Ford To Collaborate On New Transmissions**

Tom Krisher, AP Auto Writer

DETROIT (AP) -- General Motors and Ford are putting aside their longstanding rivalry to work together to develop a new generation of fuel-efficient automatic transmissions.

The companies said Monday that their engineers will jointly design nine- and 10-speed transmissions that will go into many of their new cars and trucks.

When transmissions have more gears, engines don't have to work as hard. That saves fuel. As long as the shifting is smooth, most customers don't give much thought to their transmissions.

The fierce rivals, which rank first and second in U.S. auto sales, say they'll save millions of dollars that can be spent on areas that set them apart from other automakers such as quieter rides and nicer interiors.

Neither would estimate exactly how much they'll save, but each said transmissions cost hundreds of millions of dollars to develop. The more gears a transmission has, the more complex and costly it is to develop and build.

"While we still can be really competitive, we can collaborate where it makes sense," said General Motors Co. spokesman Dan Flores. "We will still fight every day in the marketplace over every sale."

The savings also will help the companies keep their prices competitive. Neither would say when the new transmissions will show up in cars and trucks, although design work already has begun. A previous venture to jointly design six-speed transmissions took about three years.

The companies will manufacture transmissions separately. They'll likely order parts from the same companies, saving millions more dollars, said David Petrovski, an analyst for IHS Automotive who specializes in transmission forecasting.

Generally, transmissions with more gears are more efficient because they allow engines to do less work to keep cars and trucks moving, while still having the power needed for acceleration. The maximum number of gears that Ford and GM transmissions now have is six.

Industry analysts say if engineered correctly, a nine-speed automatic transmission can raise gas mileage five to 10 percent over a six-speed model. For a Chevrolet Cruze compact, for instance, that would equal at least 2 mpg above the current estimate of 38 on the highway.

Currently, Ford and GM are behind in the transmission speed race. Several other

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automakers such as Chrysler and Land Rover have nine-speed coming out soon. Many automakers already have eight-speed transmissions on the road. Both GM and Ford said the joint research would help them develop the transmissions faster.

All three Detroit automakers had to cut transmission development when they ran into financial problems back in 2008, said Kevin Riddell, an engine and transmission analyst with LMC Automotive, a Detroit-area forecasting firm.

"The joint development is really going to help them out and get back onto an even playing field," he said.

This isn't uncharted territory for the two Detroit automakers. They began working on six-speed gearboxes in 2002. So far the companies have produced 8 million jointly-developed transmissions.

It's not unusual for automakers to work together on big ticket items such as engines or hybrid gas-electric powertrains, but working together on transmissions is less common, Petrovski said.

The companies don't expect any anti-trust issues to arise even though together they control one-third of the U.S. auto market. Lawyers reviewed the 2002 agreement and the federal government didn't raise any issues with it. A Justice Department spokeswoman wouldn't comment on the new deal.

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