



News Release

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SPOKANE, WASH., May 3 -- The president of Ford Motor Company today urged "enlightened" people in both industry and the environmental movement to work together on solutions to common problems.

Lee A. Iacocca addressed newsmen and other guests attending the opening of the Ford exhibit at Expo '74, and called the exposition's theme -- "Celebrating Tomorrow's Fresh New Environment" -- "appropriate because of the enormous progress we've made in environmental protection."

Mr. Iacocca said he believes enlightened members of the environmental movement "recognize that many businessmen want to obey the law, they do not want to endanger the health of their fellow citizens, they do not want to poison the air they themselves must breathe, and they do not want to poison the water they themselves want to use for their own recreation."

"But," he added, "being reasonable, we don't want to pay for a pig in a poke. We resist spending money -- especially in times of inflation when we know our customers will resist higher prices -- when added costs do not produce added benefits."

Mr. Iacocca said the "real environmentalists are going to have to help us sort out the wheat from the chaff, and to recognize that forcing unneeded restrictions on industry and the public will damage their whole movement."

"For our part," he continued, "we must recognize that there are enlightened environmentalists. Many dedicated conservationists were at work years before ecology became a political password, and they have made real contributions to our society."

Mr. Iacocca said that although the average American is "truly interested in a clean environment," he is "not interested...to the exclusion of his job, an adequate

supply of gasoline and heating oil, or concern over the rising cost of living."

"Concern for the environment, therefore, must be balanced against people's other concerns," he concluded. "If there are people in both industry and the environmental movement who deserve to be called enlightened, then it should be possible for us to arrive at some common ground."

Pointing to progress in pollution control, Mr. Iacocca noted that "our waterways, on average, are cleaner today than at any time in the memory of most of us, and continue to get cleaner every day. The air, too, is cleaner than it was 5 or 10 years ago, even in Los Angeles, and it, too, is getting cleaner every day."

He added that "with the progress we're making, it seems ironic that the future of the environmental movement is in doubt."

"The environment has not been abandoned," he asserted, "but new environmental proposals are being subjected to very careful examination, as they should be."

One area which requires this examination, Mr. Iacocca said, is the Clean Air Act, "which set what we think are unreasonably stringent standards for automotive emissions."

"Quite simply," he said, "a law was passed laying out the solution before the details of the problem were known."

To better define the problem, Mr. Iacocca suggested the Environmental Protection Agency, the National Academy of Sciences and others should continue their medical and atmospheric studies to determine the health effects of vehicle emissions.

"If scientific evidence shows a significant health risk under the present standards," he added, "then and only then should tougher standards be considered."

Mr. Iacocca said that compared to the cars of seven years ago with no exhaust emission controls, the 1975 models to go on sale this fall will eliminate 75 per cent of the three major pollutants.

"That's progress that we can all recognize and appreciate," he said. "Even if the standards in effect for 1975 models were kept in place for several years, the air would continue to get cleaner as old cars were retired in favor of new cars with the latest controls."

Mr. Iacocca emphasized, however, that a price has been paid for cleaner air.

"Fuel economy in our cars is 10 per cent less than it was seven years ago because of emission controls," he said. "We expect an improvement in some of our cars this fall, but meeting the 1976 vehicle emission standards -- assuming we had the technology to do that, which is doubtful -- probably would mean a deterioration in fuel economy to 20 per cent below 1967 levels. The technology for meeting the 1977 standards hasn't been perfected either, but the system that seems to offer the best chance probably would cause an additional 10 per cent loss in fuel economy."

Mr. Iacocca also had a "happier story" to tell -- about the problem of the junked car.

"A few years ago all we could do was to build a decorative screen around junk yards," he said. "In the past dozen years, however, more than 100 shredders have been built around the country. These are huge machines, costing \$4,000,000 to \$5,000,000 each, that eat cars. The hulk goes in and out come three piles of shredded scrap -- ferrous metals, non-ferrous metals, and the non-metallic."

He noted that shredder operators sold their scrap ferrous metal to steel mills and foundries, and paid someone to haul the other two piles to a landfill site.

"Then Ford scientists discovered a way to recycle polyurethane foam, which makes up the major portion of the non-metallic pile," he said, concluding:

"We're turning an eyesore into a natural resource. We are mining those junk yards for our raw materials."

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