

# Ford Motor Company

Capstone Project



Presented by Jessica and Sindhu

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Motor Company

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supply chain

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Improvements and  
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# Introduction

Brief story of Ford Motor  
Company



# Ford Motor Company



## **Fortune 500**

17<sup>th</sup> place in US



## **Vision**

“To become the world’s most trusted company, designing smart vehicles for a smart world”



## **Automobile**

7<sup>th</sup> largest company globally



## **Mission**

“To help build a better world, where every person is free to move and pursue their dreams.”



# History

1903-1919

Foundation and  
Industrial Revolution

1920-1960

Expansion and  
Diversification

1960-2008

Challenges and  
Financial Crisis

2009-2025

Recovery, Innovation  
and Electrification

- 1903: Ford Motor Company founded in Dearborn, Michigan by Henry Ford and 11 investors.
- 1908: Launch of the Model T, the first affordable car for the masses.
- 1911: First U.S. branch assembly plant (Kansas City, Missouri) and first overseas plant (Manchester, England).
- 1913: Introduction of the moving assembly line, revolutionizing manufacturing.
- 1914: “Fordism” spreads globally; \$5/day wage introduced to incentivize productivity and support the middle class.

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- 1922: Acquisition of Lincoln Motor Company (luxury vehicles).
- Late 1920s: Over 20 overseas assembly plants established.
- 1938: Launch of Mercury brand (mid-priced vehicles).
- 1942: Shift to military production during World War II (vehicles, planes, tanks).
- Late 1950s: Launch of the Edsel, a commercial failure.

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- 1973–74: OPEC Oil Crisis leads to demand for fuel-efficient cars.
- 1980s–1990s: Focus on fuel efficiency and innovation to counter foreign competition.
- Late 1990s: Start of shift toward environmentally sustainable and smart vehicles.
- 2008: Great Recession hits; Ford avoids bankruptcy and declines TARP bailout.
- Ford sells off acquisitions to stay afloat.

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- 2009: Gains market share due to “cash-for-clunkers” program.
- 2018: Decision to phase out most passenger cars, focusing on trucks, SUVs, and crossovers.
- 2020: Commitment to \$50B electrification strategy through 2026.
- Goal: Zero carbon footprint by 2050.
- 2025 Market Share: Ford ranks 7th globally, with gains in Europe but losses in Asia.



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# Operations

Ford's processes and  
supply chain



# Overview of Operations



Focus on efficiency, innovation,  
and sustainability



Integration of digital  
technologies and smart mobility



Global presence in over 125  
countries.

# Operations



## Manufacturing

- Assembly line
- Lean manufacturing principles
- Advanced centers



## Management

- Continuous improvement
- Customer satisfaction
- Vehicle financing and operations



## Innovation

- Use of AI, machine learning, and robotics
- Innovation Labs

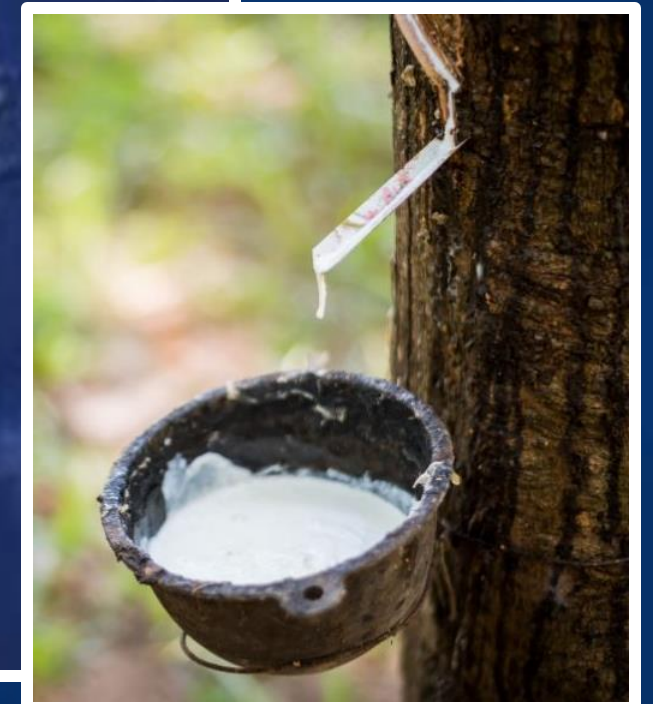


## Sustainability

- Use of recycled materials
- Carbon footprint reduction



# Supply Chain – The Ford City in Brazil





# Supply Chain

Global sourcing from Americas, Asia, and Europe.

1,400+ Tier 1 suppliers.

Supplier Code of Conduct

Main components:

body panels, engines, electronics.

Main materials:

carbon fiber, aluminum, steel.



U. S. Steel





# Supply Chain

## Challenges

- Rising raw material costs
- Semiconductor chip shortages
- Tariffs and cost of production
- Delays in product launches

## Risks

- Natural disasters
- Cargo theft
- Environmental and fuel alternatives
- Economic disruptions and cut of governmental funding

# PESTEL Analysis

<b>Political</b> Government support Trade agreements	<b>Economic</b> Growth in emerging markets Threat of US dollar (exporting)	<b>Social</b> Ford Credit Increase in wealth gap
<b>Technological</b> Smart tech integration Limited charging points	<b>Environmental</b> Rising demand for EVs and hybrid Low carbon trend	<b>Legal</b> Laws supporting innovation and clean vehicles

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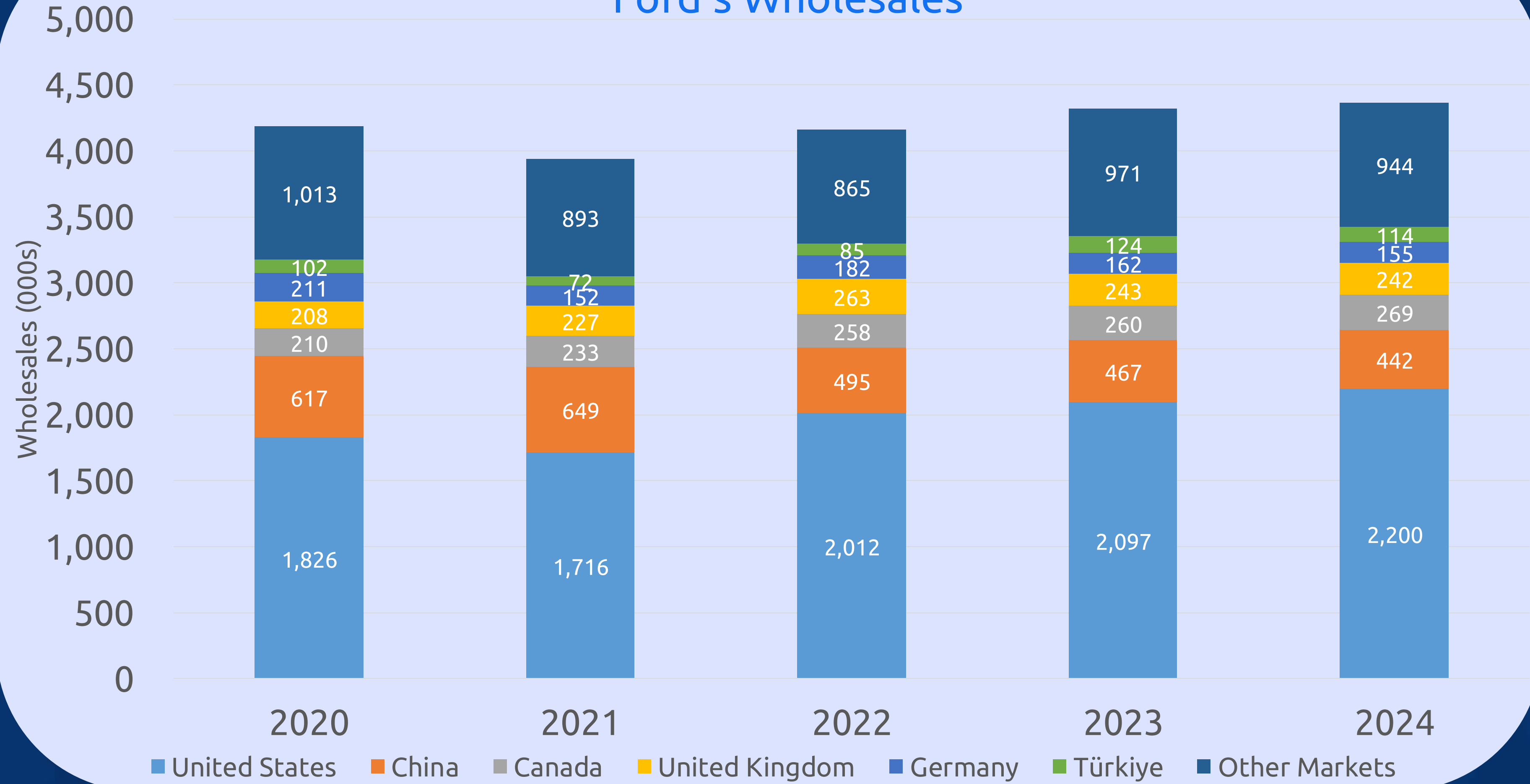
3

# Strategy

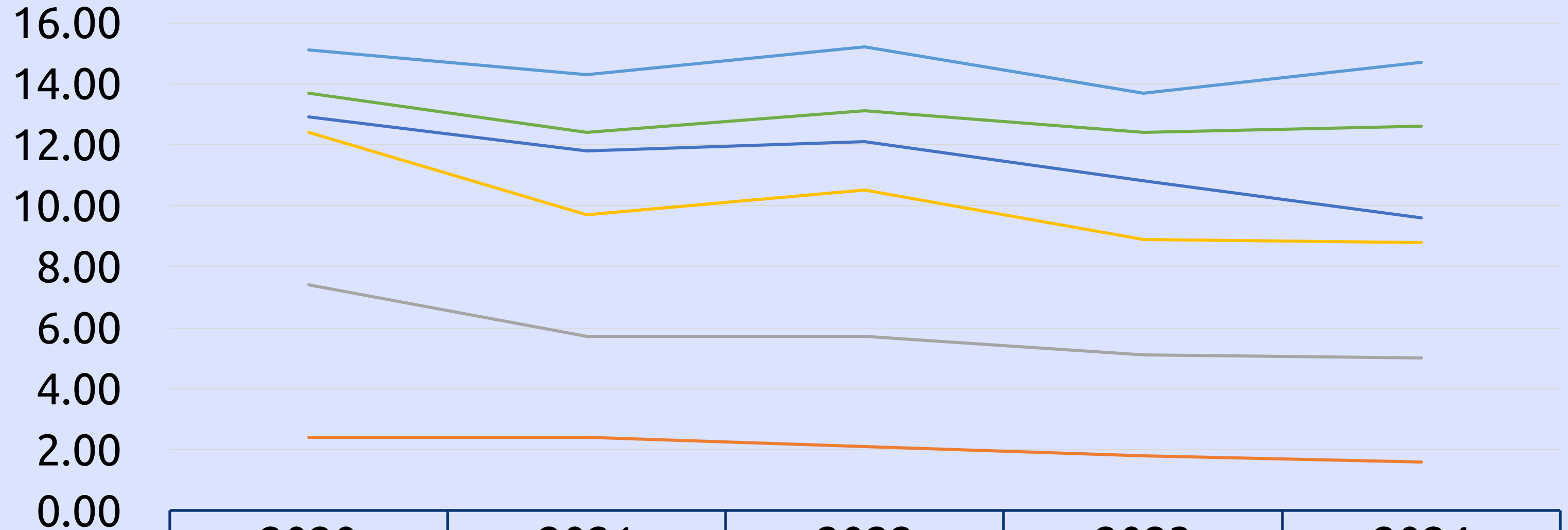
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# Ford's Wholesales



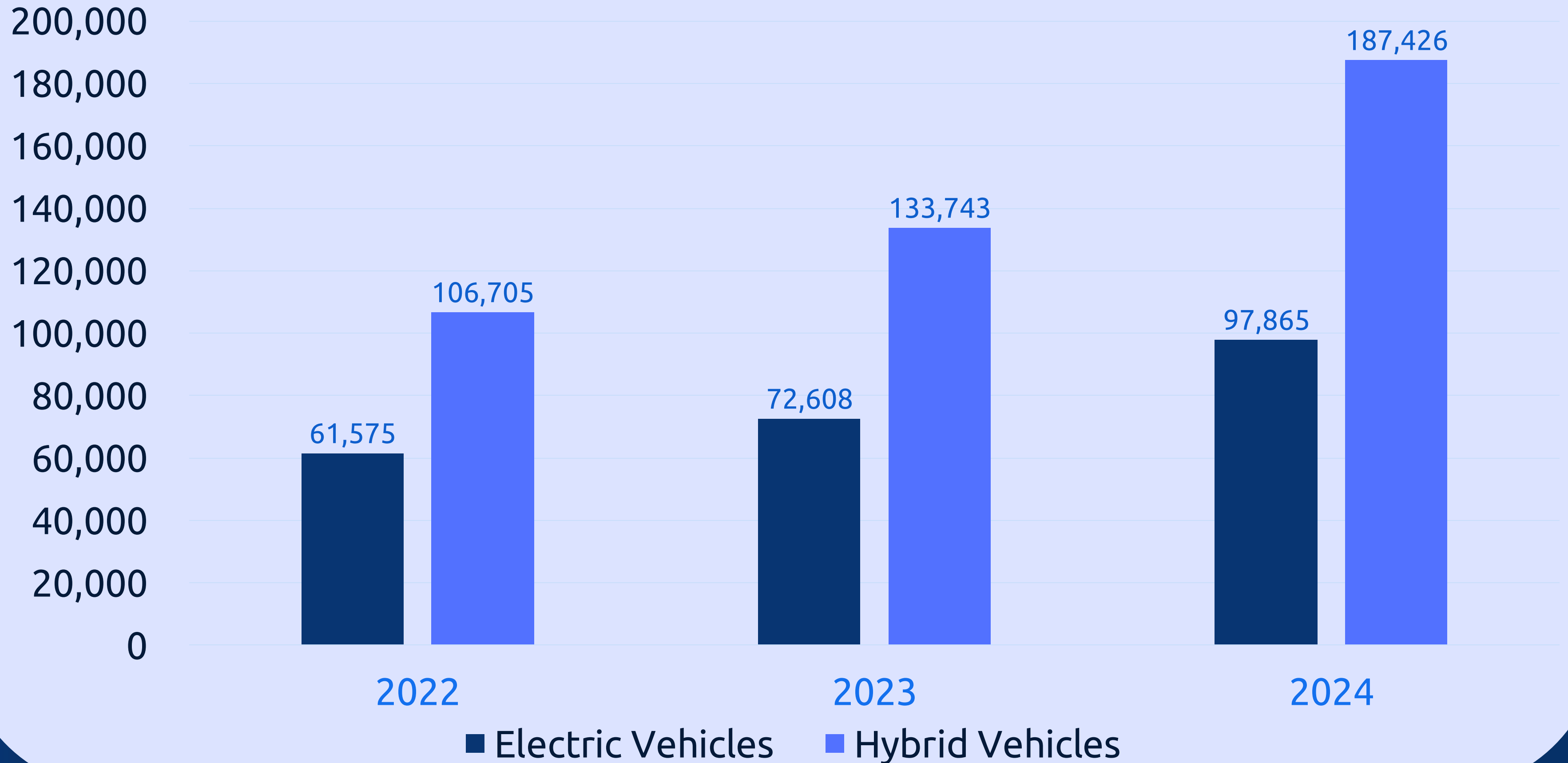
## Ford's Market Share (%)



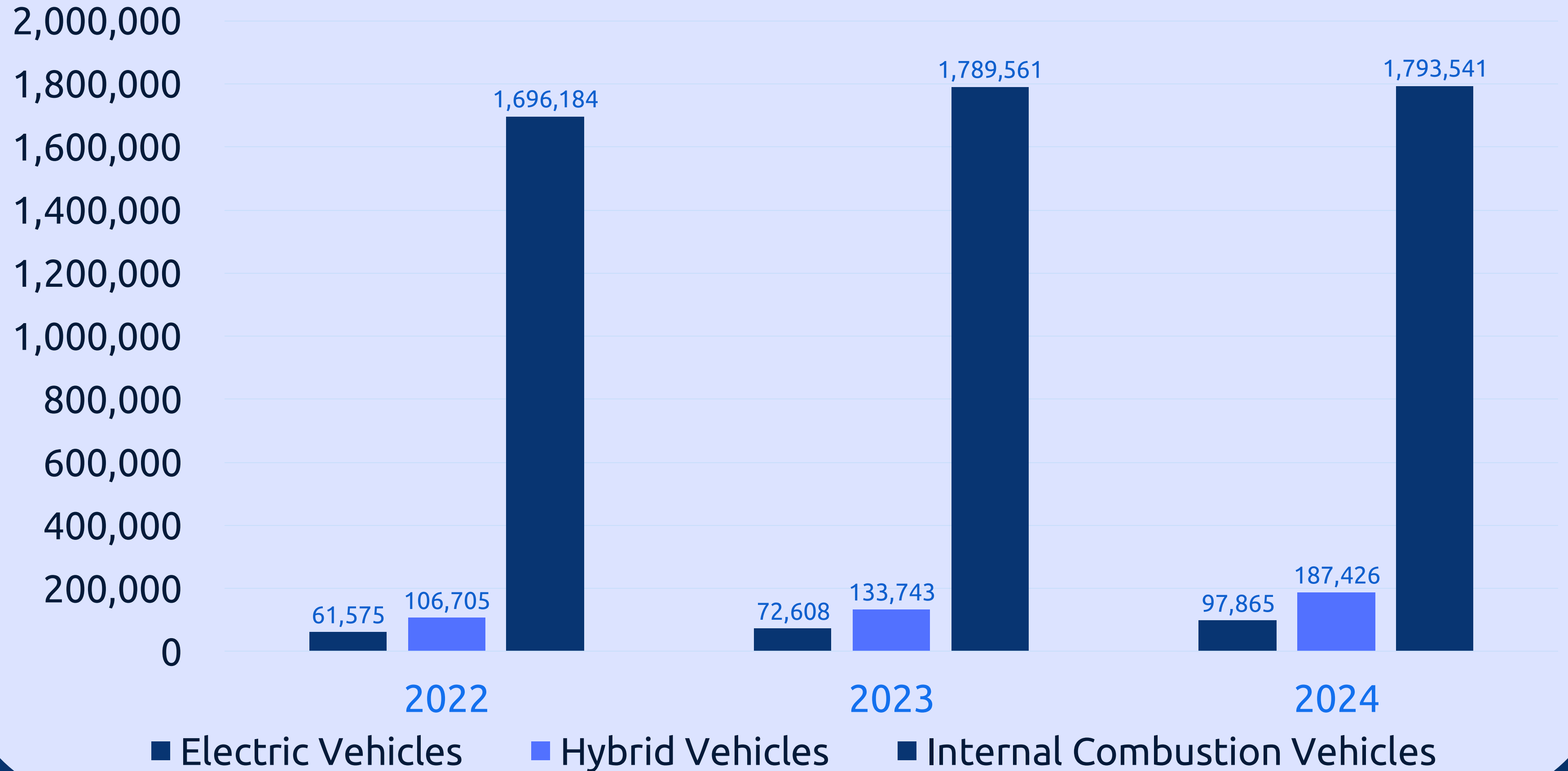
	2020	2021	2022	2023	2024
—Canada	15.10	14.30	15.20	13.70	14.70
—China	2.40	2.40	2.10	1.80	1.60
—Germany	7.40	5.70	5.70	5.10	5.00
—Türkiye	12.40	9.70	10.50	8.90	8.80
—United Kingdom	12.90	11.80	12.10	10.80	9.60
—United States	13.70	12.40	13.10	12.40	12.60



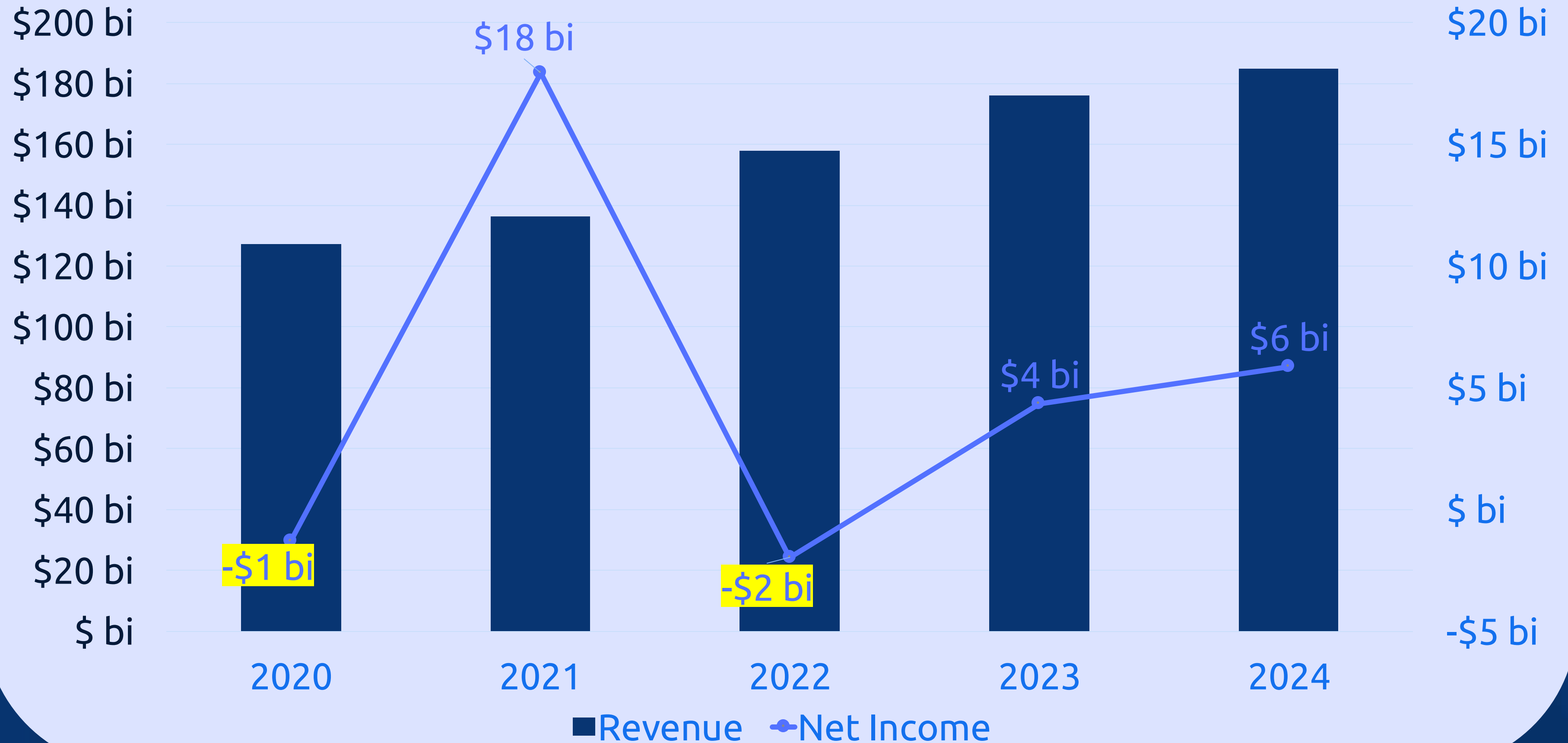
## US Sales by Category



## US Sales by Category



## Revenue and Net Income



# Recent News

## 1. Massive Recall: 312,000+ Vehicles Affected (June 2025)

- Models: F-150, Expedition, Bronco, Navigator
- Issue: Faulty Electronic Brake Booster (EBB)
- Fix: Over-the-air update + dealer servicing

## 2. \$800M Tariff Hit Triggers Quarterly Loss (July 2025)

- Q2 2025: Ford's first net loss since 2022
- Cause: U.S. tariffs on imported materials
- Expected impact: \$3B tariff burden for 2025



# 4

## Conclusion

Improvements and  
recommendations





# Improvements



Implemented  
over-the-air (OTA)  
software updates



Canceled the over-  
budget FNV4 EV  
platform



Invested in  
BlueOval City



Restructured  
European operations



# Recommendations

**Diversify critical  
material sourcing**

**Redesign EV platform  
strategy with modular  
architecture**

**Strengthen quality  
control to reduce recall**

**Expand regional  
manufacturing to  
mitigate tariffs**

**Accelerate sustainable  
sourcing and recycling efforts**

**Improve supply chain  
visibility using digital  
tools**





Thank you

The floor is open to questions