



GM: Back from the Brink

Listening Questions 1:

1. Where was GM originally based?
2. What are 2 companies that were acquired by GM?
3. Why is Detroit called the "Motor City"?
4. For how many years did GM lead the world in car sales?

Listening Questions 2:

1. Car companies from which 2 countries created a lot of competition for GM?
2. Which brand did GM shut down in 2004?
3. When did GM file for bankruptcy?
4. How much profit did GM make in 2012?

Transcript 1:

General Motors, or GM, was founded in 1908 by Billy Durant. At the time, the car company was based in Flint, Michigan.

GM started with its Buick brand of automobiles and as GM grew, it acquired other companies including Cadillac, Chevrolet, Pontiac, and Oldsmobile. In the mid-20s, the company's headquarters relocated from Flint to nearby Detroit. Detroit is nicknamed the "Motor City" because GM and fellow American automobile manufacturers Ford and Chrysler are all based there.

GM led the world in car sales for 77 years from 1931-2007.



Transcript 2:

GM suffered through financial difficulties due to increased competition from car companies from other countries especially Japan and Germany.

In 2004, GM shut down the Oldsmobile brand which had lasted over 100 years.

In 2009, following the Subprime Mortgage Crisis in the US, GM filed for bankruptcy with the support of the American government. GM reorganized its business and shut down 4 of its brands: Hummer, Saab, Pontiac, and Saturn. Things have been looking up since the company emerged from bankruptcy.

GM had year-on-year sales growth from 2010 to 2012 and earned \$6.2 billion of profit on \$152.3 billion of revenue in 2012.