FORD MOTOR CO
Form DEF 14A
April 08, 2004

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OMB APPROVAL

OMB Number:	3235-0059
Expires:	February 28, 2006
Estimated average burden hours per response	12.75

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant x
Filed by a Party other than the Registrant o

Check the appropriate box:

o Preliminary Proxy Statement
o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
x Definitive Proxy Statement
o Definitive Additional Materials
o Soliciting Material Pursuant to §240.14a-12

Ford Motor Company

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

x No fee required.
o Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

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o Fee paid previously with preliminary materials.

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o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

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2) Form, Schedule or Registration Statement No.:

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3) Filing Party:

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Ford Motor Company

Notice of 2004

Annual Meeting of Shareholders and Proxy Statement

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Ford Motor Company
One American Road
Dearborn, Michigan 48126- 2798

April 8, 2004

DEAR SHAREHOLDERS:

Our 2004 annual meeting of shareholders will be held at The Seelbach Hilton Louisville, 500 S. 4th Street, Louisville, Kentucky, on Thursday, May 13, 2004. The annual meeting will begin promptly at 10:00 a.m., Eastern Time. If you plan to attend the meeting, please see the instructions for requesting an admission ticket on page 4.

We are holding this year s meeting in Louisville in recognition of our substantial and long-standing presence in Kentucky. The Louisville area is home to the plants that produce some of Ford Motor Company s best selling vehicles. The Ford Explorer and Sport Trac and Mercury Mountaineer are produced at Louisville Assembly. The Kentucky Truck Plant builds the Ford Excursion and the Super-Duty F-Series trucks. The Company employs approximately 10,000 people in Kentucky and we are proud to hold our annual meeting of shareholders in a location that makes a significant contribution to Ford s success.

Please read these materials so that you ll know what we plan to do at the meeting. Also, please either sign and return the accompanying proxy card in the postage-paid envelope or instruct us by telephone or via the Internet as to how you would like your shares voted. This way, your shares will be voted as you direct even if you can t attend the meeting. Instructions on how to vote your shares by telephone or via the Internet are on the proxy card enclosed with this proxy statement.

WILLIAM CLAY FORD, JR.
Chairman of the Board

Whether or not you plan to attend the meeting, please provide your proxy by either calling the toll-free telephone number, using the Internet, or filling in, signing, dating, and promptly mailing the accompanying proxy card in the enclosed envelope.

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Notice of Annual Meeting of Shareholders
of Ford Motor Company

Time:	10:00 a.m., Eastern Time, Thursday, May 13, 2004
Place:	The Seelbach Hilton Louisville 500 S. 4th Street Louisville, Kentucky
Proposals:	**1.** The election of directors.
	2. The ratification of the selection of PricewaterhouseCoopers LLP as Ford s independent public accountants for 2004.
	3. A shareholder proposal related to disclosure of compensation paid to executive officers.
	4. A shareholder proposal related to establishing an independent committee of the Board of Directors to evaluate any conflict of interest between holders of Class B Stock and holders of common stock.
	5. A shareholder proposal related to terminating certain forms of compensation to Named Executives.
	6. A shareholder proposal related to limiting the number of Company employees appointed as Board members.
	7. A shareholder proposal related to the Company reporting on greenhouse gas emissions.
Who Can Vote:	You can vote if you were a shareholder of record at the close of business on March 17, 2004.
Date of Mailing:	This proxy statement and the enclosed form of proxy are being mailed to shareholders beginning April 8, 2004.

PETER J. SHERRY, JR.
Secretary

April 8, 2004

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Defined Terms

Annual Incentive Compensation Plan means Ford s Annual Incentive Compensation Plan.

Class B Stock means Ford s Class B Stock.

Dividend Equivalent means cash or shares of common stock (or common stock units) equal in value to dividends that would have been paid on shares of common stock.

Final Award means shares of common stock and/or cash awarded by the Compensation Committee under a Performance Stock Right.

Ford or ***we*** or ***Company*** means Ford Motor Company.

Long-Term Incentive Plan means Ford s 1990 or 1998 Long-Term Incentive Plan.

Named Executives means the executives named in the Summary Compensation Table on p. 30.

NYSE means the New York Stock Exchange, Inc.

Performance Stock Right or ***Stock Right*** means, under the Long-Term Incentive Plan, an award of the right to earn up to a certain number of shares of common stock, or cash, or a combination of cash and shares of common stock of equivalent value, based on performance against specified goals created by the Compensation Committee.

Restricted Stock Equivalent means, under the Long-Term Incentive Plan and the Restricted Stock Plan for Non-Employee Directors, the right to receive a share of common stock when the restriction period ends.

SEC means the United States Securities and Exchange Commission.

Trust Preferred Securities means the Ford Motor Company Capital Trust II 6.50% Cumulative Convertible Trust Preferred Securities.

1998 Plan means Ford s 1998 Long-Term Incentive Plan.

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Ford Motor Company

Proxy Statement

The Board of Directors is soliciting proxies to be used at the annual meeting of shareholders to be held on Thursday, May 13, 2004, beginning at 10:00 a.m., Eastern Time, at The Seelbach Hilton Louisville, 500 S. 4th Street, Louisville, Kentucky. This proxy statement and the enclosed form of proxy are being mailed to shareholders beginning April 8, 2004.

QUESTIONS AND ANSWERS ABOUT THE PROXY MATERIALS AND THE ANNUAL MEETING

What is a proxy?

A proxy is another person that you legally designate to vote your stock. If you designate someone as your proxy in a written document, that document also is called a proxy or a proxy card.

What is a proxy statement?

It is a document that SEC regulations require us to give to you when we ask you to sign a proxy card to vote your stock at the annual meeting.

What is the purpose of the annual meeting?

At our annual meeting, shareholders will act upon the matters outlined in the notice of meeting, including the election of directors, ratification of the selection of the Company s independent public accountants, and consideration of five shareholder proposals, if presented at the meeting. Also, management will report on the Company s performance during the last fiscal year and respond to questions from shareholders.

What is the record date and what does it mean?

The record date for the annual meeting is March 17, 2004. The record date is established by the Board of Directors as required by Delaware law. Holders of common stock and holders of Class B Stock at the close of business on the record date are entitled to receive notice of the meeting and to vote at the meeting and any adjournments or postponements of the meeting.

Who is entitled to vote at the annual meeting?

Holders of common stock and holders of Class B Stock at the close of business on the record date may vote at the meeting. Holders of Trust Preferred Securities cannot vote at this meeting.

On March 17, 2004, 1,760,101,417 shares of common stock and 70,852,076 shares of Class B Stock were outstanding and, thus, are eligible to be voted.

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What are the voting rights of the holders of common stock and Class B Stock?

Holders of common stock and holders of Class B Stock will vote together without regard to class on the matters to be voted upon at the meeting. Holders of common stock have 60% of the general voting power. Holders of Class B Stock have the remaining 40% of the general voting power.

Each outstanding share of common stock will be entitled to one vote on each matter to be voted upon.

The number of votes for each share of Class B Stock is calculated each year in accordance with the Company s Restated Certificate of Incorporation. At this year s meeting, each outstanding share of Class B Stock will be entitled to 16.561 votes on each matter to be voted upon.

What is the difference between a shareholder of record and a street name holder?

If your shares are registered directly in your name with EquiServe Trust Company, N.A., the Company s stock transfer agent, you are considered the shareholder of record with respect to those shares.

If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of these shares, and your shares are held in street name.

How do I vote my shares?

If you are a shareholder of record, you can give a proxy to be voted at the meeting either:

- over the telephone by calling a toll-free number;
- electronically, using the Internet; or
- by mailing in the enclosed proxy card.

The telephone and Internet voting procedures have been set up for your convenience and have been designed to authenticate your identity, to allow you to give voting instructions, and to confirm that those instructions have been recorded properly. If you are a shareholder of record and you would like to vote by telephone or by using the Internet, please refer to the specific instructions set forth on the enclosed proxy card. If you wish to vote using a paper format and you return your signed proxy to us before the annual meeting, we will vote your shares as you direct.

If you hold your shares in street name, you must vote your shares in the manner prescribed by your broker or nominee. Your broker or nominee has enclosed or provided a voting instruction card for you to use in directing the broker or nominee how to vote your shares.

Are votes confidential? Who counts the votes?

The votes of all shareholders will be held in confidence from directors, officers and employees of the Company except: (a) as necessary to meet applicable legal requirements and to assert or defend claims for or against the Company, (b) in case of a contested proxy solicitation, (c) if a shareholder makes a written comment on the proxy card or otherwise communicates his or her vote to management, or (d) to allow the independent inspectors of election to certify the results of the vote. We will also continue, as we have for many years, to retain an independent tabulator to receive and tabulate the proxies and independent inspectors of election to certify the results.

Can I vote my shares in person at the annual meeting?

Yes. If you are a shareholder of record, you may vote your shares at the meeting by completing a ballot at the meeting.

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However, if you are a street name holder, you may vote your shares in person only if you obtain a signed proxy from your broker or nominee giving you the right to vote the shares.

Even if you currently plan to attend the meeting, we recommend that you also submit your proxy as described above so that your vote will be counted if you later decide not to attend the meeting.

What are my choices when voting?

In the election of directors, you may vote for all nominees, or you may vote against one or more nominees. The proposal related to the election of directors is described in this proxy statement beginning at p. 5.

For each of the other proposals, you may vote for the proposal, against the proposal, or abstain from voting on the proposal. These proposals are described in this proxy statement beginning at p. 41.

Proposals 1 and 2 will be presented at the meeting by management, and the rest are expected to be presented by shareholders.

What are the Board s recommendations?

The Board of Directors recommends a vote **FOR** all of the nominees for director (Proposal 1), **FOR** ratifying the selection of PricewaterhouseCoopers LLP as the Company s independent public accountants for 2004 (Proposal 2), and **AGAINST** the shareholder proposals (Proposals 3 through 7).

What if I do not specify how I want my shares voted?

If you do not specify on your proxy card (or when giving your proxy by telephone or over the Internet) how you want to vote your shares, we will vote them **FOR** all of the nominees for director (Proposal 1), **FOR** ratifying the selection of PricewaterhouseCoopers LLP as the Company s independent public accountants for 2004 (Proposal 2), and **AGAINST** the shareholder proposals (Proposals 3 through 7).

Can I change my vote?

Yes. You can revoke your proxy at any time before it is exercised in any of three ways:

- by submitting written notice of revocation to the Secretary of the Company;
- by submitting another proxy by telephone, via the Internet or by mail that is later dated and, if by mail, that is properly signed; or
- by voting in person at the meeting.

What percentage of the vote is required for a proposal to be approved?

A majority of the votes that could be cast by shareholders who are either present in person or represented by proxy at the meeting is required to elect the nominees for director and to approve each proposal. The votes are computed for each share as described on p. 2.

The total number of votes that could be cast at the meeting is the number of votes actually cast plus the number of abstentions. Abstentions are counted as shares present at the meeting for purposes of determining whether a quorum exists and have the effect of a vote against any matter as to which they are specified.

Proxies submitted by brokers that do not indicate a vote for some or all of the proposals because they don t have discretionary voting authority and haven t received instructions as to how to vote on those proposals (so-called broker non-votes) are not considered shares present and will not affect the outcome of the vote.

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How can I attend the annual meeting?

If you are a shareholder of record and you plan to attend the annual meeting, please let us know when you return your proxy. If you indicate that you plan to attend, we ll mail you a *ticket that will admit the named shareholder(s) and one guest*. If your ticket does not arrive in time, we can issue you a ticket at the door.

If you are a street name shareholder, tell your broker or nominee that you re planning to attend the meeting and would like a legal proxy. Then simply bring that form to the meeting and we ll give you a *ticket at the door that will admit you and one guest*. If you can t get a legal proxy in time, we can still give you a ticket at the door if you bring a copy of your brokerage account statement showing that you owned Ford stock as of the record date.

Are there any rules regarding admission?

Each shareholder and guest will be asked to present valid government-issued picture identification, such as a driver s license or passport, before being admitted to the meeting. Cameras, recording devices, and other electronic devices will not be permitted at the meeting and attendees will be subject to security inspections. We encourage you to leave any such items at home. We will not be responsible for any items checked at the door.

Are there any other matters to be acted upon at the annual meeting?

We do not know of any other matters to be presented or acted upon at the meeting. Under our By-Laws, no business besides that stated in the meeting notice may be transacted at any meeting of shareholders. If any other matter is presented at the meeting on which a vote may properly be taken, the shares represented by proxies will be voted in accordance with the judgment of the person or persons voting those shares.

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Election of Directors

(Proposal 1 on the Proxy Card)

Sixteen directors will be elected at this year s annual meeting. Each director will serve until the next annual meeting or until he or she is succeeded by another qualified director who has been elected.

We will vote your shares as you specify when providing your proxy. If you do not specify how you want your shares voted when you provide your proxy, we will vote them *for the election of all of the nominees listed below*. If unforeseen circumstances (such as death or disability) make it necessary for the Board of Directors to substitute another person for any of the nominees, we will vote your shares for that other person.

Each of the nominees for director is now a member of the Board of Directors, which met ten times during 2003. Each of the nominees for director attended at least 75% of the combined Board of Director and committee meetings held during the periods served by such nominee in 2003, except John L. Thornton whose attendance was just below that level due to unforeseen circumstances associated with his transition from employment with The Goldman Sachs Group, Inc., to his current occupation as a professor at Tsinghua University in China. The nominees provided the following information about themselves as of March 1, 2004.

Nominees

John R. H. Bond

Age: 62 *Director Since:* 2000

Principal Occupation: Group Chairman, HSBC Holdings plc, London, England

Recent Business Experience: Mr. Bond has been associated with The Hongkong Shanghai Banking Corporation for over 40 years. He was elected Group Chairman of HSBC Holdings plc in May 1998. He was Group Chief Executive Officer of HSBC Holdings from 1993 to 1998. From 1991 to 1993, he served as President and Chief Executive Officer of Marine Midland Banks, Inc., now known as HSBC USA Inc., a wholly-owned subsidiary of HSBC Holdings. Mr. Bond is also a member of the Institute of International Finance.

Other Directorships: HSBC Holdings plc

Stephen G. Butler

Age: 56 *Director Since:* February 2004

Principal Occupation: Retired Chairman and Chief Executive Officer, KPMG, LLP

Recent Business Experience: Mr. Butler served as Chairman and CEO of KPMG, LLP from 1996 until his retirement on June 30, 2002. Mr. Butler held a variety of management positions, both in the United States and internationally, during his 33-year career at KPMG.

Other Directorships: Cooper Industries, Ltd.; ConAgra Foods, Inc.

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Kimberly A. Casiano

Age: 46 *Director Since:* December 2003

Principal Occupation: President and Chief Operating Officer, Casiano Communications, Inc., San Juan, Puerto Rico

Recent Business Experience: Ms. Casiano was appointed President and Chief Operating Officer of Casiano Communications, a publishing and direct marketing company, in 1994. From 1987 to 1994, she held a number of management positions within Casiano Communications in both the periodicals and magazines and the bilingual direct marketing and call center divisions of the company. Ms. Casiano is a member of the Board of Trustees of the Hispanic College Fund and recently concluded an appointment by the U.S. Treasury Secretary to the U.S. Savings Bond National Committee.

Edsel B. Ford II

Age: 55 *Director Since:* 1988

Principal Occupation: Director and Consultant, Ford Motor Company

Recent Business Experience: Mr. Ford is a retired Vice President of Ford Motor Company and former President and Chief Operating Officer of Ford Motor Credit Company. He presently serves as a consultant to the Company. Mr. Ford serves as a board member of the Federal Reserve Bank of Chicago, Detroit Branch, and the Skillman Foundation. He also serves as the chairman of the National Advisory Board of the Salvation Army.

William Clay Ford

Age: 79 *Director Since:* 1948

Principal Occupation: Retired Chair of the Finance Committee, Ford Motor Company

Recent Business Experience: Mr. Ford served as Chair of the Finance Committee of Ford s Board of Directors from November 1987 to January 1995. He was elected a Vice Chairman of Ford in 1980, retiring from that position in 1989. He also owns and is Chairman of The Detroit Lions, Inc.

William Clay Ford, Jr.

Age: 46 *Director Since:* 1988

Principal Occupation: Chairman of the Board of Directors and Chief Executive Officer, Ford Motor Company

Recent Business Experience: Mr. Ford has held a number of management positions within Ford, including Vice President Commercial Truck Vehicle Center. From 1995 until October 30, 2001, Mr. Ford was Chair of the Finance Committee. Effective January 1, 1999, he was elected Chairman of the Board of Directors and effective October 30, 2001, he was elected Chief Executive Officer of the Company. Mr. Ford also is Vice Chairman of The Detroit Lions, Inc., and Chairman of the Board of Trustees of the Henry Ford Museum and Greenfield Village. He also is a Vice Chairman of Detroit Renaissance Foundation and a Trustee of Princeton University.

Irvine O. Hockaday, Jr.

Age: 67 *Director Since:* 1987

Principal Occupation: Retired President and Chief Executive Officer, Hallmark Cards, Inc., Kansas City, Missouri

Recent Business Experience: Mr. Hockaday was President and CEO of Hallmark Cards, Inc. since January 1, 1986, and a director since 1978. He retired in December 2001.

Other Directorships: Crown Media Holdings, Inc.; Dow Jones & Company, Inc.; Sprint Corporation; Aquila, Inc.; Estée Lauder Co.

Marie-Josée Kravis

Age: 54 *Director Since:* 1995

Principal Occupation: Senior Fellow, Hudson Institute Inc., Indianapolis, Indiana

Recent Business Experience: Mrs. Kravis was appointed a senior fellow of the Hudson Institute Inc., in 1994. Prior to that time, and since 1978, she served as Executive Director of the Hudson Institute of Canada.

Other Directorships: Vivendi Universal; InterActiveCorp.

Richard A. Manoogian

Age: 67 *Director Since:* 2001

Principal Occupation: Chairman of the Board and Chief Executive Officer, Masco Corporation, Taylor, Michigan

Recent Business Experience: Mr. Manoogian has been with Masco since 1958, became Vice President and a member of the Board in 1964, President in 1968 and, in 1985, became Chairman.
Mr. Manoogian is a member of the board of Detroit Renaissance and a member of The American Business Conference.

Other Directorships: Masco Corporation; Metaldyne Corporation; Bank One Corporation

Ellen R. Marram

Age: 57 *Director Since:* 1988

Principal Occupation: Managing Director, North Castle Partners, LLC, Greenwich, Connecticut

Recent Business Experience: Ms. Marram was appointed Managing Director of North Castle Partners, LLC, a private equity firm, effective September 2000. Ms. Marram served as President and CEO of efdex inc. from August 1999 to May 2000. She previously served as President and CEO of Tropicana Beverage Group from September 1997 until November 1998, and had previously served as President of the Group, as well as Executive Vice President of The Seagram Company Ltd. and Joseph E. Seagram & Sons, Inc. Before joining Seagram in 1993, she served as President and CEO of Nabisco Biscuit Company and Senior Vice President of the Nabisco Foods Group from June 1988 until April 1993.

Other Directorships: The New York Times Company; Eli Lilly and Company

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Homer A. Neal

Age: 61 *Director Since:* 1997

Principal Occupation: Director, ATLAS Project, Professor of Physics, and Interim President Emeritus, University of Michigan, Ann Arbor, Michigan

Recent Business Experience: Dr. Neal is director, University of Michigan ATLAS Project, Samuel A. Goudsmit Distinguished Professor of Physics and Interim President Emeritus at the University of Michigan. He joined the University as Chairman of its Physics Department in 1987 and in 1993 was named Vice President of Research. Dr. Neal served as Interim President of the University of Michigan from July 1, 1996 to February 1, 1997. He has served as a member of the U.S. National Science Board, the Advisory Board of the Oak Ridge National Laboratory and the Smithsonian Institution and currently is a member of the Board of Trustees of the Center for the Study of the Presidency.

Other Directorships: Covanta Energy Corporation

Jorma Ollila

Age: 53 *Director Since:* 2000

Principal Occupation: Chairman of the Board, Chief Executive Officer and Chairman of the Group Executive Board, Nokia Corporation, Finland

Recent Business Experience: Mr. Ollila has been Chairman of the Board and Chief Executive Officer of Nokia since 1999. He also has been Chairman of its Group Executive Board since 1992. He was President and Chief Executive Officer from 1992 to 1999, a member of its Board of Directors since 1995 and a member of its Group Executive Board since 1986. He also held various other positions since joining Nokia in 1985. From 1978 to 1985, Mr. Ollila held various positions with Citibank Oy and Citibank N.A.

Other Directorships: Nokia Corporation; UPM-Kymmene Corporation

Carl E. Reichardt

Age: 72 *Director Since:* 1986

Principal Occupation: Retired Vice Chairman, Ford Motor Company

Recent Business Experience: Mr. Reichardt was elected a Vice Chairman of the Company on October 30, 2001. Mr. Reichardt retired as Vice Chairman of Ford on August 1, 2003. Previously Mr. Reichardt served as Chairman and CEO of Wells Fargo & Company from 1983 until his retirement on December 31, 1994.

Other Directorships: ConAgra Foods, Inc.; PG&E Corporation

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Robert E. Rubin

Age: 65 *Director Since:* 2000

Principal Occupation: Director, Chairman of the Executive Committee and Member of the Office of the Chairman, Citigroup Inc., New York, New York

Recent Business Experience: Before joining Citigroup in 1999, Mr. Rubin served as U.S. Secretary of the Treasury from 1995 to 1999. He previously served from 1993 to 1995 in the White House as Assistant to the President for Economic Policy and, in that capacity, directed the activities of the National Economic Council. Prior to that time, Mr. Rubin spent 26 years at Goldman, Sachs & Co., where he served as Co-Senior Partner and Co-Chairman from 1990 to 1992, and Vice Chairman and Co-Chief Operating Officer from 1987 to 1990.

Other Directorships: Citigroup Inc.

Nicholas V. Scheele

Age: 60 *Director Since:* 2001

Principal Occupation: President and Chief Operating Officer, Ford Motor Company

Recent Business Experience: Prior to his election as President and COO of the Company on October 30, 2001, Mr. Scheele was appointed Group Vice President Ford North America on August 1, 2001. On January 1, 2000, Mr. Scheele was elected Chairman, Ford of Europe and from 1992 to 1999 was Chairman and CEO of Jaguar Cars Ltd. Since joining the Company in 1966, Mr. Scheele has served in several senior management positions including President of Ford of Mexico. In June 2001, Mr. Scheele was knighted by Queen Elizabeth II for his services to British exports.

John L. Thornton

Age: 50 *Director Since:* 1996

Principal Occupation: Professor and Director, Global Leadership Program, Tsinghua University, Beijing, China

Recent Business Experience: Mr. Thornton retired as President and Co-Chief Operating Officer of The Goldman Sachs Group, Inc. on July 1, 2003. Mr. Thornton was appointed to that post in 1999 and formerly served as Chairman of Goldman Sachs Asia from 1996 to 1998. He was previously co-chief executive of Goldman Sachs International, the firm s business in Europe, the Middle East and Africa. Mr. Thornton joined Goldman Sachs in 1980 and was named a partner in 1988. Mr. Thornton continues to serve as senior advisor to Goldman Sachs. He also is the Chairman of the Board of Trustees of the Brookings Institution.

Other Directorships: British Sky Broadcasting Group plc; Intel, Inc.; The DIRECTV Group, Inc.

Committees of the Board of Directors

Audit Committee

Number of Members: 4

Members:
Irvine O. Hockaday, Jr. *(Chair)*
Stephen G. Butler
Ellen R. Marram
Jorma Ollila

Number of Meetings in 2003: 9

Functions:

Selects independent public accountants to audit Ford s books and records, subject to shareholder ratification, and determines the compensation of the independent public accountants.

At least annually, reviews a report by the independent public accountants describing: internal quality control procedures, any issues raised by an internal or peer quality control review, any issues raised by a governmental or professional authority investigation in the past five years and any steps taken to deal with such issues, and (to assess the independence of the independent public accountants) all relationships between the independent public accountants and the Company.

Consults with the independent public accountants, reviews and approves the scope of their audit, and reviews their independence and performance. Also reviews any proposed non-audit engagement between the Company and the independent public accountants and approves in advance any such engagement, if appropriate.

Reviews internal controls, accounting practices, financial structure, and financial reporting, including the results of the annual audit and the review of the interim financial statements with management and the independent public accountants. Discusses earnings releases and guidance provided to the public and rating agencies.

As appropriate, obtains advice and assistance from outside legal, accounting or other advisors.

Prepares and publishes an annual report of the Audit Committee to be included in the Company s proxy statement.

Assesses annually the adequacy of the Audit Committee Charter.

Reports to the Board of Directors about these matters.

Compensation Committee

Number of Members: 4

Members:
Marie-Josée Kravis *(Chair)*
John R. H. Bond
Richard A. Manoogian
Robert E. Rubin

Number of Meetings in 2003: 9

Functions:

Establishes and reviews the overall executive compensation philosophy of the Company.

Reviews and approves Company goals and objectives relevant to CEO and other executive officer compensation, including annual performance objectives.

Evaluates the performance of the CEO and other executive officers in light of established goals and objectives and, based on such evaluation, reviews and approves the annual salary, bonus, stock options, other incentive awards and other benefits, direct and indirect, of the CEO and other executive officers.

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Compensation Committee (continued)

Considers and makes recommendations on Ford s executive compensation plans and programs.

Prepares and publishes an annual report of the Compensation Committee to be included in the Company s proxy statement.

Assesses annually the adequacy of the Compensation Committee Charter.

Reports to the Board of Directors about these matters.

Environmental and Public Policy Committee

Number of Members: 7

Members:
William Clay Ford, Jr. *(Chair)*
John R. H. Bond
Kimberly A. Casiano
Edsel B. Ford II
Ellen R. Marram
Homer A. Neal
Jorma Ollila

Number of Meetings in 2003: 2

Functions:

Reviews environmental, public policy and corporate citizenship issues facing the Company around the world.

Reviews annually with management the Company s performance for the immediately preceding year regarding stakeholder relationships, product performance, sustainable manufacturing and public policy.

Reviews with management the Company s annual Corporate Citizenship Report.

Assesses annually the adequacy of the Environmental and Public Policy Committee Charter.

Reports to the Board of Directors about these matters.

Finance Committee

Number of Members: 9

Members:
Carl E. Reichardt *(Chair)*
Stephen G. Butler
Kimberly A. Casiano
Edsel B. Ford II
William Clay Ford
William Clay Ford, Jr.
Homer A. Neal
Robert E. Rubin
John L. Thornton

Number of Meetings in 2003: 8

Functions:

Reviews all aspects of the Company s policies and practices that relate to the management of the Company s financial affairs, not inconsistent, however, with law or with specific instructions given by the Board of Directors relating to such matters.

Reviews with management, at least annually, the Annual Report from the Treasurer of the Company s cash and funding plans and other Treasury matters, the Company s health care costs and plans for funding such costs, and the Company s policies with respect to financial risk assessment and financial risk management.

Approves capital expenditures for product programs within the scope of an annual capital expenditure budget and schedule approved by the Board of Directors.

Reviews the Corporate Business Plan and Budget and conducts, as required, detailed operational business and cash strategy reviews.

Reviews the Company s pension strategy and performance.

Performs such other functions and exercises such other powers as may be delegated to it by the Board of Directors from time to time.

Assesses annually the adequacy of the Finance Committee Charter.

Reports to the Board of Directors about these matters.

Nominating and Governance Committee

Number of Members: 11

Members:

Ellen R. Marram *(Chair)*
John R. H. Bond
Stephen G. Butler
Kimberly A. Casiano
Irvine O. Hockaday, Jr.
Marie-Josée Kravis
Richard A. Manoogian
Homer A. Neal
Jorma Ollila
Robert E. Rubin
John L. Thornton

Number of Meetings in 2003: 7

Functions:

Makes recommendations on:

- the nominations or elections of directors; and
- the size, composition and compensation of the Board.

Establishes criteria for selecting new directors and the evaluation of the Board.

Develops and recommends to the Board corporate governance principles and guidelines.

Reviews the charter and composition of each committee of the Board and makes recommendations to the Board for the adoption of or revisions to the committee charters, the creation of additional committees or the elimination of committees.

Considers the adequacy of the By-Laws and the Restated Certificate of Incorporation of the Company and recommends to the Board, as appropriate, that the Board (i) adopt amendments to the By-Laws, and (ii) propose, for consideration by the shareholders, amendments to the Restated Certificate of Incorporation.

Prepares and publishes an annual report of the Nominating and Governance Committee to be included in the Company s proxy statement.

Considers shareholder suggestions for nominees for director (other than self-nominations). See the Nominating and Governance Committee Report on pp. 15-16.

Assesses annually the adequacy of the Nominating and Governance Committee Charter.

Reports to the Board of Directors about these matters.

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Audit Committee Report

The Audit Committee is composed of four directors, all of whom meet the independence standards contained in the NYSE Listed Company rules, SEC rules and Ford s Corporate Governance Principles, and operates under a written charter adopted by the Board of Directors. A copy of the Audit Committee Charter can be found on the Company s website, www.ford.com. The Audit Committee selects, subject to shareholder ratification, the Company s independent public accountants.

Ford management is responsible for the Company s internal controls and the financial reporting process. The independent public accountants, PricewaterhouseCoopers LLP (PricewaterhouseCoopers), are responsible for performing an independent audit of the Company s consolidated financial statements and issuing an opinion on the conformity of those audited financial statements with generally accepted accounting principles in the United States. The Audit Committee monitors the Company s financial reporting process and reports to the Board of Directors on its findings.

Audit Fees

PricewaterhouseCoopers served as the Company s independent public accountants in 2003 and 2002. The Company paid PricewaterhouseCoopers $25.3 million and $21 million for audit services for the years ended December 31, 2003 and 2002, respectively. Audit services consisted of the audit of the financial statements included in the Company s Annual Report on Form 10-K, reviews of the financial statements included in the Company s Quarterly Reports on Form 10-Q, and providing comfort letters in connection with Ford and Ford Motor Credit Company funding transactions.

Audit-Related Fees

The Company paid PricewaterhouseCoopers $5.5 million and $4.8 million for audit-related services for the years ended December 31, 2003 and 2002, respectively. Audit-related services included due diligence for mergers, acquisitions, and divestitures, employee benefit plan audits, attestation services, internal control reviews and assistance with interpretation of accounting standards.

Tax Fees

The Company paid PricewaterhouseCoopers $15.8 million and $19.7 million for tax services for the years ended December 31, 2003 and 2002, respectively. The types of tax services provided included assistance with tax compliance and the preparation of tax returns, tax consultation, planning and implementation services, assistance in connection with tax audits, tax advice related to mergers, acquisitions and divestitures, and tax return preparation services provided to international service employees (ISE) to minimize the cost to the Company of these assignments.

All Other Fees

The Company paid PricewaterhouseCoopers $0.4 million for all other services for the year ended December 31, 2003, including only the completion of transitional work that began in 2002 but is no longer allowed under the SEC independence rules (e.g., health care and pension-related actuarial services).

The Company paid PricewaterhouseCoopers $4.4 million for all other services for the year ended December 31, 2002, including healthcare and pension-related actuarial services, litigation support, non-tax ISE services, and other projects.

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Total Fees

For the year ended December 31, 2003, the Company paid PricewaterhouseCoopers a total of $47.0 million in fees, down $2.9 million from the total paid for 2002.

Auditor Independence

During the last year, the Audit Committee met and held discussions with management and PricewaterhouseCoopers. The Audit Committee reviewed and discussed with Ford management and PricewaterhouseCoopers the audited financial statements contained in the Company s Annual Report on Form 10-K for the year ended December 31, 2003. The Audit Committee also discussed with PricewaterhouseCoopers the matters required to be discussed by Statement on Auditing Standards Nos. 61 and 90 (Communications with Audit Committees) as well as by SEC regulations.

PricewaterhouseCoopers submitted to the Audit Committee the written disclosures and the letter required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees). The Audit Committee discussed with PricewaterhouseCoopers such firm s independence.

Based on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Company s Annual Report on Form 10-K for the year ended December 31, 2003, filed with the SEC.

The Audit Committee also considered whether the provision of other non-audit services by PricewaterhouseCoopers to the Company is compatible with maintaining the independence of PricewaterhouseCoopers and concluded that the independence of PricewaterhouseCoopers is not compromised by the provision of such services.

In addition, the Audit Committee adopted strict guidelines and procedures on the use of PricewaterhouseCoopers to provide any services, including advance Audit Committee approval of any services. All non-audit work will not be contracted with PricewaterhouseCoopers other than specific audit-related, tax, and due diligence services that have been approved in advance by the Audit Committee. All engagements with PricewaterhouseCoopers are approved at regularly scheduled meetings of the Committee. The Chair of the Committee may approve any engagement request outside of the regular approval process, with confirmation by the full Committee at its next scheduled meeting.

Audit Committee

Irvine O. Hockaday, Jr. *(Chair)*
Stephen G. Butler
Ellen R. Marram
Jorma Ollila

Nominating and Governance Committee Report

The Nominating and Governance Committee is composed of eleven directors, all of whom meet the independence standards contained in the NYSE Listed Company rules and Ford s Corporate Governance Principles. The Committee operates under a written charter adopted by the Board of Directors. A copy of the charter may be found on Ford s website at www.ford.com.

Composition of Board of Directors/ Nominees

The Committee recommends to the Board the nominees for all directorships to be filled by the Board or by you. The Committee also reviews and makes recommendations to the Board on matters such as the size and composition of the Board in order to ensure the Board has the requisite expertise and its membership consists of persons with sufficiently diverse and independent backgrounds. Between annual shareholder meetings, the Board may elect directors to vacant Board positions to serve until the next annual meeting.

The Board proposes to you a slate of nominees for election to the Board at the annual meeting. You may propose nominees (other than self-nominations) for consideration by the Committee by submitting the names, qualifications and other supporting information to: Secretary, Ford Motor Company, One American Road, Dearborn, MI 48126. Properly submitted recommendations must be received no later than December 9, 2004 to be considered by the Committee for inclusion in the following year s nominations for election to the Board. Your properly submitted candidates are evaluated in the same manner as those candidates recommended by other sources. All candidates are considered in light of the needs of the Board with due consideration given to the qualifications described below.

Qualifications

Because Ford is a large and complex company, the Committee considers several qualifications when considering candidates for the Board. Among the most important qualities directors should possess are the highest personal and professional ethical standards, integrity and values. They should be committed to representing the long-term interests of all of the shareholders. Directors must also have practical wisdom and mature judgment. Directors must be objective and inquisitive. Ford recognizes the value of diversity and we endeavor to have a diverse Board, with experience in business, government, education and technology, and in areas that are relevant to the Company s global activities. Directors must be willing to devote sufficient time to carrying out their duties and responsibilities effectively, and should be committed to serve on the Board for an extended period of time. Directors should also be prepared to offer their resignation in the event of any significant change in their personal circumstances that could affect the discharge of their responsibilities as directors of the Company, including a change in their principal job responsibilities.

Identification of Directors

The Charter of the Committee provides that the Committee conducts all necessary and appropriate inquiries into the backgrounds and qualifications of possible candidates as directors. It has the sole authority to retain and terminate any search firm to be used to assist it in identifying and evaluating candidates to serve as directors of the Company.

The Committee identifies candidates through a variety of means, including search firms, recommendations from members of the Committee and the Board, including the Chairman and Chief Executive Officer, and suggestions from Company management. Upon the recommendation of the Committee, Kimberly A. Casiano and Stephen G. Butler were elected to the Board of Directors on December 15, 2003 and February 13, 2004, respectively. Ms. Casiano and Mr. Butler were proposed to the Committee by the Chairman and CEO and were selected from among several names submitted by the directors, including the Chairman and CEO. Each of Ms. Casiano and Mr. Butler were interviewed by the Chair of the Committee and certain other Committee members prior to their election.

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The Company on behalf of the Committee has paid fees to third-party firms to assist the Committee in the identification and evaluation of potential Board members.

Corporate Governance

The Committee developed and recommended to the Board a set of corporate governance principles, which the Board adopted. Ford s Corporate Governance Principles may be found on its website at www.ford.com. The Committee also reviews management s monitoring of compliance with the Company s Standards of Corporate Conduct. In addition, the Committee has established a process for you to send communications to the Board. The manner in which you may send communications to the Board may be found on the Company s website at www.ford.com. See the Corporate Governance section below for more information on our corporate governance practices.

Nominating and Governance Committee

Ellen R. Marram *(Chair)*
John R. H. Bond
Stephen G. Butler
Kimberly A. Casiano
Irvine O. Hockaday, Jr.
Marie-Josée Kravis
Richard A. Manoogian
Homer A. Neal
Jorma Ollila
Robert E. Rubin
John L. Thornton

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Corporate Governance

Ford has operated under sound corporate governance practices for many years. We believe it is important to disclose to you a summary of our major corporate governance practices. Some of these practices have been in place for many years. Others have been adopted in response to regulatory and legislative changes. We will continue to assess and refine our corporate governance practices and share them with you.

Director Independence

A majority of the directors must be independent directors under the NYSE Listed Company rules. The NYSE rules provide that no director can qualify as independent unless the Board affirmatively determines that the director has no material relationship with the listed company. The Board has adopted the following standards in determining whether or not a director has a material relationship with the Company:

No director who is an employee or a former employee of the Company can be independent until three years after termination of such employment.

No director who is, or in the past three years has been, affiliated with or employed by the Company s present or former independent auditor can be independent until three years after the end of the affiliation, employment or auditing relationship.

No director can be independent if he or she is, or in the past three years has been, part of an interlocking directorship in which an executive officer of the Company serves on the compensation committee of another company that employs the director.

No director can be independent if he or she is receiving, or in the last three years has received, more than $100,000 during any 12-month period in direct compensation from the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service).

Directors with immediate family members in the foregoing categories are subject to the same three-year restriction.

The following commercial, charitable and educational relationships will not be considered to be material relationships that would impair a director s independence:

(i) if within the preceding three years a Ford director was an executive officer or employee of another company (or an immediate family member of the director was an executive officer of such company) that did business with Ford and either: (a) the annual sales to Ford were less than the greater of $1 million or two percent of the total annual revenues of such company, or (b) the annual purchases from Ford were less than the greater of $1 million or two percent of the total annual revenues of Ford, in each case for any of the three most recently completed fiscal years;

(ii) if within the preceding three years a Ford director was an executive officer of another company which was indebted to Ford, or to which Ford was indebted, and either: (a) the total amount of such other company s indebtedness to Ford was less than two percent of the total consolidated assets of Ford, or (b) the total amount of Ford s indebtedness to such other company was less than two percent of the total consolidated assets of such other company, in each case for any of the three most recently completed fiscal years; and

(iii) if within the preceding three years a Ford director served as an executive officer, director or trustee of a charitable or educational organization, and Ford s discretionary contributions to the organization were less than the greater of $1 million or two percent of that organization s total annual discretionary receipts for any of the three most recently completed fiscal years. (Ford s automatic matching of charitable contributions will not be included in the amount of Ford s contributions for this purpose.)

Based on these independence standards and all of the relevant facts and circumstances, the Board determined that the following directors are considered independent: John R. H. Bond, Stephen G. Butler, Kimberly A. Casiano, Irvine O. Hockaday, Jr., Marie-Josée Kravis, Richard A. Manoogian, Ellen R. Marram, Homer A. Neal, Jorma Ollila, Robert E. Rubin, and John L. Thornton. In accordance with the NYSE transition rules, the Board used a 12-month look back period in making the independence determinations. Commencing November 3, 2004, the three-year look back period will apply to independence determinations.

Corporate Governance Principles

The Company has adopted Corporate Governance Principles, which are published on the Company s website (www.ford.com). These principles include: a limitation on the number of boards on which a director may serve, qualifications for directors (including a director retirement age and a requirement that directors be prepared to resign from the Board in the event of any significant change in their personal circumstances that could affect the discharge of their responsibilities), director orientation, continuing education and a requirement that the Board and each of its Committees perform an annual self-evaluation.

Committee Charters/ Codes of Ethics

The Company has published on its website (www.ford.com) the charter of each of the Audit, Compensation, Environmental and Public Policy, Finance, and Nominating and Governance Committees of the Board, as well as its Standards of Corporate Conduct, which apply to all officers and employees, a code of ethics for directors and a code of ethics for the Company s chief executive officer as well as senior financial and accounting personnel. Any waiver of, or amendments to, the codes of ethics for directors or executive officers, including the chief executive officer, the chief financial officer and the principal accounting officer, may be approved only by the Nominating and Governance Committee and any such waivers or amendments will be disclosed promptly by the Company by posting such waivers or amendments to its website. Copies of each of the committee charters and the codes of ethics referred to above are also available by writing to our Shareholders Relations Department, Ford Motor Company, One American Road, P.O. Box 1899, Dearborn, Michigan 48126-1899.

Executive Sessions of Non-Employee Directors

Non-employee directors ordinarily meet in executive session without management present at regularly scheduled Board meetings and may meet at other times at the discretion of the presiding independent director or at the request of any non-employee director. According to Ford s Corporate Governance Principles, the most senior independent director, currently Irvine O. Hockaday, Jr., is the presiding independent director for the executive sessions of non-management directors. Additionally, all of the independent directors meet at least once annually without management or non-independent directors present.

Audit Committee

The Charter of the Audit Committee provides that a member of the Audit Committee generally may not serve on the audit committee of more than two other public companies. The Board has designated Stephen G. Butler as an Audit Committee financial expert. Mr. Butler meets the independence standards for audit committee members under the NYSE Listed Company and SEC rules. The lead partner of the Company s independent public accountants is rotated at least every five years.

Board Committees

Only independent directors serve on the Audit, Compensation and Nominating and Governance Committees, in accordance with the independence standards of the NYSE rules and the Company s Corporate Governance

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Principles. The Board, and each committee of the Board, has the authority to engage independent consultants and advisors at the Company s expense.

Communications with the Board/ Annual Meeting Attendance

The Board has established a process by which you may send communications to the Board. For a description of the manner in which you can send communications to the Board, please visit the Company s website (www.ford.com). All members of the Board are expected to attend the annual meeting, unless unusual circumstances would prevent such attendance. All fourteen directors who were then members of the Board attended last year s annual meeting.

Management Stock Ownership

The following table shows how much Ford stock each director, nominee, and Named Executive beneficially owned as of March 1, 2004. No director, nominee or executive officer, including Named Executives, beneficially owned more than 0.86% of Ford s total outstanding common stock. Directors and executive officers as a group, including the Named Executives, beneficially owned 1.40% of Ford common stock as of March 1, 2004. These persons held options exercisable on or within 60 days after March 1, 2004 to buy, and/or beneficially owned as of March 1, 2004 Trust Preferred Securities convertible into, 10,674,456 shares of Ford common stock.

Name	Ford Common Stock(1)(2)	Ford Common Stock Units(3)	Ford Class B Stock(4)	Percent of Outstanding Ford Class B Stock
John R. H. Bond*	4,496	8,958	0	0
Stephen G. Butler*(5)	0	0	0	0
Kimberly A. Casiano*	3,212	0	0	0
Edsel B. Ford II*	3,928,254	9,218	5,047,909	7.125
William Clay Ford*	15,089,540	11,557	14,929,815	21.072
William Clay Ford, Jr.*	2,980,481	2,339	3,277,825	4.626
Allan D. Gilmour	492,062	0	0	0
Irvine O. Hockaday, Jr.*	18,382	41,375	0	0
Marie-Josée Kravis*	11,580	34,014	0	0
Richard A. Manoogian*	203,496	7,617	0	0
Ellen R. Marram*	16,800	49,865	0	0
Homer A. Neal*	10,588	10,487	0	0
Jorma Ollila*	7,684	31,592	0	0
James J. Padilla	187,013	40,271	0	0

Carl E. Reichardt*	534,616	5,787	0	0
Robert E. Rubin*	12,699	33,019	0	0
Nicholas V. Scheele*	80,604	36,236	0	0
John L. Thornton*	30,714	44,870	0	0
David W. Thursfield	143,755	0	0	0
All Directors and Executive Officers as a group (including Named Executives) (35 persons)	24,722,831	381,088	23,255,549	32.823

* Indicates Directors

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Notes

(1)Amounts shown include restricted shares of common stock issued under the Restricted Stock Plan for Non-Employee Directors, as follows: 2,797 shares each for Homer A. Neal and Richard A. Manoogian; 1,398 shares each for William Clay Ford, Jr., Marie-Josée Kravis, and Robert E. Rubin; 699 shares each for Edsel B. Ford II, William Clay Ford, Irvine O. Hockaday, Jr., Ellen R. Marram, and Carl E. Reichardt. Also, amounts shown include Restricted Stock Equivalents issued under the Restricted Stock Plan for Non-Employee Directors as follows: 2,098 each for John R. H. Bond and John L. Thornton; and 1,450 for Jorma Ollila.

Included in the amounts for All Directors and Executive Officers as a group are shares of common stock represented by Ford Stock Units credited under a deferred compensation plan and held by a certain Ford executive officer. These shares may be delivered after termination of employment. Additionally, for certain executive officers, primarily those living outside of the United States, amounts may include Restricted Stock Equivalents issued under the 1998 Plan for signing non-compete agreements in 2002.

Also, amounts shown include restricted shares of common stock issued under the 1998 Plan as follows: 47,591 shares for Edsel B. Ford II as payment for his services pursuant to a consulting agreement with the Company (see p. 22); 300,000 shares for Allan D. Gilmour in lieu of other long-term incentive awards in 2003; 140,498 shares for James J. Padilla for signing a non-compete agreement in 2002 and an award in January 2003 in connection with his appointment as an Executive Vice President of the Company; 56,641 shares for Nicholas V. Scheele for signing a non-compete agreement in 2002; and 100,000 shares for David W. Thursfield in connection with his appointment as an Executive Vice President of the Company. In addition, amounts for Mr. Thursfield include 36,250 Restricted Stock Equivalents for signing a non-compete agreement in 2002.

(2)In addition to the stock ownership shown in the table above: Edsel B. Ford II has disclaimed beneficial ownership of 78,906 shares of common stock and 63,100 shares of Class B Stock that are either held directly by his immediate family, by charitable funds which he controls or by members of his immediate family in custodial or conservatorship accounts for the benefit of other members of his immediate family. William Clay Ford has disclaimed beneficial ownership of 1,171,490 shares of common stock and 1,530,512 shares of Class B Stock either held directly by members of his immediate family or in trusts controlled by members of his immediate family. William Clay Ford, Jr., has disclaimed beneficial ownership of 97,523 shares of common stock and 164,673 shares of Class B Stock that are either held directly by members of his immediate family, in a trust for a child of his in which he is the trustee or by members of his immediate family in custodial accounts for the benefit of other members of his immediate family. Present directors and executive officers as a group have disclaimed beneficial ownership of a total of 1,349,145 shares of common stock and 1,758,285 shares of Class B Stock.

Also, on March 1, 2004 (or within 60 days after that date), the Named Executives and directors listed below have rights to acquire shares of common stock through the exercise of stock options under Ford s stock option plans and/or through conversion of Trust Preferred Securities, as follows:

Person	Number of Shares
William Clay Ford, Jr.	4,386,303
Richard A. Manoogian	56,498
James J. Padilla	414,704
Nicholas V. Scheele	1,252,024
David W. Thursfield	388,791

The amounts of common stock shown above for Mr. Manoogian are a result of his ownership of Trust Preferred Securities, which are convertible into Ford common stock. In Mr. Manoogian s case, he is deemed to be the beneficial owner of certain Trust Preferred Securities as a result of his being a trustee of a charitable foundation that owns the Trust Preferred Securities. Amounts of common stock shown above for Mr. Ford are a result of his ownership of stock options and Trust Preferred Securities.

(3)These are common stock units credited under a deferred compensation plan and payable in cash.

(4)As of March 1, 2004, the following persons owned more than 5% of the outstanding Class B Stock: Josephine F. Ford, c/o Ford Estates, Dearborn, Michigan, beneficially owned 13,430,084 shares (18.955%); and Lynn F. Alandt, c/o Ford Estates, Dearborn, Michigan, beneficially owned 9,007,705 shares (12.713%).

Of the outstanding Class B Stock, 47,560,910 shares are held in a voting trust of which Edsel B. Ford II, William Clay Ford, and William Clay Ford, Jr. are among the trustees. The trust requires the trustees to vote the shares as directed by a plurality of the shares in the trust. Edsel B. Ford II is a nephew and William Clay Ford, Jr. is the son of William Clay Ford.

(5)Mr. Butler, who was elected a director on February 13, 2004, purchased 6,000 shares of Ford common stock on March 19, 2004.

Impact Resulting From Spin-off of Associates First Capital Corporation and Visteon Corporation and Implementation of the Value Enhancement Plan

The value of the Company s common stock changed as a result of:

- the spin-off of the Company s interest in Associates First Capital Corporation on April 7, 1998;
- the spin-off of the Company s interest in Visteon Corporation on June 28, 2000; and
- the Company s recapitalization and merger (also known as the Value Enhancement Plan) on August 2, 2000.

To account for these changes in value, the following items held by officers or directors of the Company as of April 9, 1998, June 28, 2000 and August 2, 2000, respectively, were adjusted in each case to ensure that the aggregate value of the item before and after each of these events would be approximately equal: common stock units, deferred contingent credits, Performance Stock Rights, Restricted Stock Equivalents, and stock options. (References in this proxy statement to any of these items that were issued before August 2, 2000 are to the adjusted amounts.)

Section 16(a)
Beneficial Ownership Reporting Compliance

Based on Company records and other information, Ford believes that all SEC filing requirements applicable to its directors and executive officers were complied with for 2003 and prior years.

Compensation of Directors

Goal. Ford wants the directors compensation to be tied to your interests as shareholders. Accordingly, over 50% ($35,000) of a director s annual Board membership fee is deferred in the form of common stock units. This deferral, together with the restricted stock granted to directors and director stock ownership goals, is part of Ford s commitment to link director and shareholder interests. These compensation programs are described below.

Fees. The following fees are paid to directors who are not Ford employees:

Annual Board membership fee	$ 65,000
Annual Committee membership fee	$ 15,000
Attendance fee for each Board meeting	$ 1,000

Deferred Compensation Plan. Under this plan, $35,000 of a director s annual Board membership fee must be deferred in common stock units. Directors also can choose to have the payment of all or some of the remainder of their fees deferred in the form of cash and/or common stock units. Each common stock unit is equal in value to a share of common stock and is ultimately paid in cash. These common stock units generate Dividend Equivalents in the form of additional common stock units. These units are credited to the directors accounts on the date common stock cash dividends are paid. Any fees deferred in cash are held in the general funds of the Company. Interest on fees deferred in cash is credited semi-annually to the directors accounts at the then-current U.S. Treasury Bill rate plus 0.75%. In general, deferred amounts are not paid until after the director retires from the Board. The amounts

are then paid, at the director s option, either in a lump sum or in annual installments over a period of up to ten years.

Restricted Stock Plan. Non-employee directors also receive restricted shares of common stock. Each non-employee director who has served for at least six months receives 3,496 shares of common stock subject to restrictions on sale. In general, the restrictions expire for 20% of the shares each year following the year of the grant. Each non-employee director receives an additional 3,496 shares on the same terms when the restrictions on all of the prior 3,496 shares end.

Stock Ownership Goals. To further link director and shareholder interests, Ford established stock ownership goals for non-employee directors in 1995. Each non-employee director has a goal to own common stock equal in value to five times the sum of the director s annual Board and Committee fees within five years.

Life Insurance. Ford provides non-employee directors with $200,000 of life insurance and $500,000 of accidental death or dismemberment coverage. The life insurance coverage continues after the director retires from the Board if the director is at least 55 years old and has served for at least five years. A director who retires from the Board after age 70 or, after age 55 with Board approval, and who has served for at least five years, may elect to have the life insurance reduced to $100,000 and receive $15,000 a year for life. The accidental death or dismemberment coverage may, at the director s expense, be supplemented up to an additional $500,000 and ends when the director retires from the Board.

Matching Gift Program. Non-employee directors may give up to $25,000 per year to certain tax-exempt organizations under the Ford Fund Matching Gift Program. For each dollar given, the Ford Motor Company Fund contributes two dollars.

Certain Relationships and Related Transactions

Since January 1993, Ford has had a consulting agreement with William Clay Ford. Under this agreement, Mr. Ford is available for consultation, representation, and other duties (including service as a director). For these services, Ford pays him $100,000 per year and provides facilities (including office space), an administrative assistant, and security arrangements. This agreement will continue until either party ends it with 30 days notice.

Since January 1999, Ford has had a similar consulting agreement with Edsel B. Ford II. Under this agreement, the consulting fee is $125,000 per calendar quarter, payable in restricted shares of common stock. The shares cannot be sold for one year and are subject to the conditions of the 1998 Plan. The other terms of the agreement are substantially similar to those described in the paragraph above.

Our former Vice Chairman and current director, Carl E. Reichardt, was elected to Ford Motor Credit Company s board of directors and audit committee in 2003 and is also a member of the Ford Credit advisory board. Mr. Reichardt did not receive any additional compensation for such services to Ford Credit during 2003. In 2004, Ford Credit began compensating non-employee members, including Mr. Reichardt, of its board of directors, board committees and advisory board. The annual fees for such non-employee members are as follows: board of directors: $30,000; board committees: $10,000; and advisory board: $10,000. Additionally, non-employee members receive a $1,000 attendance fee for each meeting of Ford Credit s board of directors, board committees and advisory board.

In 2002, the Company and most of its executive officers, including all of the Named Executives, entered into non-compete agreements. Under the agreements, the officers agreed not to directly or indirectly work or associate with any business that competes with Ford for two years after their voluntary termination. In return, most officers received restricted shares of common stock in an amount approximately equal to one year s salary. Restrictions on the restricted shares lapse on the third anniversary of the grant date. William Clay Ford, Jr., our Chairman and Chief Executive Officer, and Allan D. Gilmour, our Vice Chairman, did not receive any compensation for signing the agreement. In addition, certain individuals who became executive officers after June 1, 2002 signed the agreement in consideration of their hiring or promotion and related compensation, benefits and perquisites.

In June 2002, the Company entered into an agreement with Carl E. Reichardt. Under this agreement, the Company agreed to pay Mr. Reichardt s salary as Vice Chairman in the form of restricted shares of Ford common stock. The shares, which were generally issuable within thirty days after the end of each calendar quarter, could not be sold, transferred or otherwise disposed of for a period of one year from the grant date. However, when Mr. Reichardt retired from employment with the Company in 2003, his restricted stock became vested at that time.

Mr. Reichardt became vested in the Company s General Retirement Plan (GRP) after one year of Company service. For the period in which he could not participate in the GRP on a contributory basis, the Company provided him a defined pension benefit through a combination of qualified and non-qualified plans that duplicated the GRP benefit he would have been eligible to receive under the GRP if he had been a contributing member at all times eligible, with a minimum benefit of at least $1,250 per month. Upon retirement from his employment, Mr. Reichardt became eligible for $100,000 of Company-paid life insurance. When Mr. Reichardt retired as an employee but remained on the Board of Directors, he received the retirement arrangement and is not eligible for benefits under the Company s Directors Life Insurance and Optional Retirement Plan.

While employed with the Company, Mr. Reichardt was entitled to use the Company aircraft for personal use while the Company aircraft was not being used for other business purposes. His spouse and children were allowed to accompany him on such aircraft. The Company compensated Mr. Reichardt for the amount of tax attributable to increased taxable income as a result of the personal use of Company aircraft.

Paul Alandt, Lynn F. Alandt s husband, owns a Ford-franchised dealership and a Lincoln-Mercury-franchised dealership. In 2003, the dealerships paid Ford about $52.7 million for products and services in the ordinary course of business. In turn, Ford paid the dealerships about $14.2 million for services in the ordinary course of business. Also in 2003, Ford Motor Credit Company, a wholly-owned subsidiary of Ford, provided about $64 million of financing to the dealerships and paid $457,670 to them in the ordinary course of business. The dealerships paid Ford Credit about $67 million in the ordinary course of business. Additionally, in 2003 Ford Credit purchased retail installment sales contracts and Red Carpet Leases from the dealerships in amounts of about $17.9 million and $23.8 million, respectively.

On April 8, 2002, Mr. Alandt and Volvo Cars of North America, LLC entered into an agreement relating to Mr. Alandt establishing an authorized Volvo dealership. The agreement is subject to various conditions, including the signing of a Volvo retailer agreement.

John L. Thornton was President and Co-Chief Operating Officer of The Goldman Sachs Group, Inc. until his retirement on July 1, 2003. Goldman Sachs provided Ford with investment banking services in 2003, as it has for many years.

John R. H. Bond is the Group Chairman and an executive director of HSBC Holdings plc, and Robert E. Rubin is Chairman of the Executive Committee and member of the Office of the Chairman of Citigroup Inc. Both HSBC Holdings plc and Citigroup Inc. provided investment banking services to the Company in 2003.

In May 2002, The Detroit Lions, Inc., a professional football team and member of the National Football League (the Lions), began paying rent to Ford Motor Land Development Corporation, an indirect wholly-owned subsidiary of ours (Ford Land), pursuant to a lease for a newly constructed football practice facility and related administrative offices. The facility was constructed by Ford Land at a final cost of approximately $38.2 million on property owned by it in Dearborn and Allen Park, Michigan. This property had not previously been developed commercially or otherwise used by us or any of our affiliates. A director of ours, William Clay Ford, is the majority owner of the Lions. In addition, William Clay Ford, Jr., our Chairman and Chief Executive Officer, is one of four minority owners and is a director and officer of the Lions. In October 2003, an entity owned by William Clay Ford (WCF Land) and Ford Land began discussions on the sale of the facility, subject to the completion of additional due diligence, finalization of contracts and the receipt of appropriate corporate approvals. In March 2004, Ford Land and WCF Land, as assignee of the Lions option under the lease to purchase the facility at specified prices throughout the lease term, completed the sale at the October 31, 2003 contractual option price of $44.015 million. In addition, WCF Land paid to Ford Land interest on the purchase price between November 1, 2003 and the closing date at Ford Land s rate of return on invested cash, and the Lions paid rent in an amount of $3,568,820 for the period from January 1, 2003 through October 31, 2003.

The Company and The Edison Institute, a Michigan non-profit corporation, entered into a contract with an initial term commencing April 30, 2003 and terminating December 31, 2007. The initial term will be extended for successive one-year periods unless earlier notice is given by either party. Pursuant to the terms of the contract, the Company will sponsor The Edison Institute to manage, market and operate public tours of Ford s new Rouge Visitor Center, including the elevated viewing walkway that connects the Rouge Visitor Center to Ford s Rouge Assembly Plant, located in Dearborn, Michigan, in conjunction with The Edison Institute s operations at The Henry Ford. Further, the Company agreed to reimburse The Edison Institute s expenses to the extent they exceed the revenues received from the Visitor Center, plus pay an annual sponsorship fee in the amount of $500,000. This fee will be re-evaluated in 2005 based upon historical operating costs. Steven K. Hamp, President of The Edison Institute, is the son-in-law of William Clay Ford, a Company director, and the brother-in-law of William Clay Ford, Jr., our Chairman and Chief Executive Officer. William Clay Ford, Jr. is also the Chairman of the Board of Trustees of The Edison Institute. William Clay Ford is also Chairman Emeritus of The Edison Institute and a member of its Board of Trustees. Edsel B. Ford II, a Company director, is also a member of the Board of Trustees of The Edison Institute.

Allan D. Gilmour, our Vice Chairman, is the majority owner of a corporation that operates a Ford-franchised dealership. In 2003, the dealership paid to Ford about $6.6 million for products and services in the ordinary course of business. In turn, Ford paid the dealership about $1.3 million for services in the ordinary course of business. Also in 2003, Ford Credit provided about $2.6 million of financing to the dealership and paid $67,628 to it in the ordinary course of business. The dealership paid Ford Credit about $4.6 million in the ordinary course of business. Ford Credit discontinued financing for the dealership in April 2003. Additionally, in 2003 Ford Credit purchased retail installment sales contracts and Red Carpet Leases from the dealership in amounts of about $1.6 million and $470,000, respectively.

Edsel B. Ford II owns Pentastar Aviation, Inc., an aircraft charter and management and maintenance company. During 2003, the Company paid Pentastar, or its affiliates, approximately $96,670 for services provided to the Company in the ordinary course of business.

In connection with Ford Motor Company s Centennial observance in 2003, the Company commissioned an automotive artist, Ken Eberts, to create fourteen original paintings of automobiles and related themes. The Company paid Mr. Eberts $142,500 for the paintings. Reproductions of these paintings were then used in connection with the Centennial, including the publication and sale of a calendar, prints, post cards, puzzles, screen savers, apparel, posters, event programs, etc. In March 2004, the Company sold the original paintings by Mr. Eberts to Edsel B. Ford II in a private sale for $168,750. The sale price was based on appraisals received from independent art appraisers.

In March 2001, Marketing Associates, LLC, an entity in which Edsel B. Ford II has a majority interest, acquired all of the assets of the Marketing Associates Division of Lason Systems, Inc. Before the acquisition, the Marketing Associates Division of Lason Systems, Inc. provided various marketing and related services to the Company. In 2003, the Company paid Marketing Associates, LLC approximately $47.5 million for marketing and related services provided in the ordinary course of business.

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Compensation Committee Report on Executive Compensation

(How Ford Determines Executive Compensation)

The Compensation Committee is composed of four directors, all of whom meet the independence standards contained in the NYSE Listed Company rules and Ford s Corporate Governance Principles. The Committee operates under a written charter adopted by the Board of Directors. A copy of the charter may be found on Ford s website at www.ford.com.

Purposes

Ford s executive compensation program aims to:

Link executives goals with your interests as shareholders.

Support business plans and long-term Company goals.

Tie executive compensation to Company performance.

Attract and retain talented leadership.

Types of Compensation

Ford utilizes two main types of compensation:

(1) *Annual compensation.* This includes salary and bonus. Ford awards bonuses when performance criteria for a specific year meet a certain level required under the bonus plan.

(2) *Long-term compensation.* This includes stock options and other long-term incentive awards based on common stock. The ultimate value of these awards depends on Company performance and future stock value.

Factors Considered in Determining Compensation

The Compensation Committee wants the compensation of Ford executives to be competitive with other worldwide automotive companies and with major U.S. companies. Each year, the Committee reviews a report from an outside consultant on Ford s compensation program for executives. The report discusses all aspects of compensation as well as how Ford s program compares with those of the peer companies. The consultant develops compensation data using a survey of several leading companies picked by the consultant and Ford. General Motors and DaimlerChrysler were included in the survey. Twenty leading companies in other industries also were included because the job market for executives goes beyond the auto industry. Companies were picked based on size, reputation, and business complexity. The Committee looks at the size and success of the companies and the types of jobs covered by the survey in determining executive compensation. One goal of Ford s compensation program over time is to approximate the survey group s median compensation, adjusted for company size and performance. In 2003, Ford s executive salaries and long-term incentive grants generally were consistent with this goal. Based on this report, its own review of various parts of the program, and its assessment of the skills, experience, and achievements of individual executives, the Committee determines the compensation of executives as a group and of officers individually.

In special circumstances, the Committee grants awards of cash, stock options and/or restricted stock or Restricted Stock Equivalents to key executives when it deems it appropriate for retention and/or incentive purposes.

The Committee also considers the tax deductibility of compensation paid to the Named Executives. In 2003 and 1998, you approved the terms of the Annual Incentive Compensation Plan and the 1998 Plan so that certain compensation paid to these individuals would be deductible by the Company under federal tax law. In 1995, you approved the terms of the 1990 Long-Term Incentive Plan for the same reason. These plans limit the amount of bonuses, stock awards and stock options that may be granted to any person in any year. In 2002, you approved an amendment to the 1998 Plan which changed the limit on the amount of stock options that may be granted to any Named Executive in any one year. In 2003, your approval of the 1998 Plan also covered an amendment to that Plan that clarified that the Compensation Committee may decide that any award otherwise payable in common stock will be paid in whole or in part in cash in an amount equal to the value of the common stock.

Further, in 1994 the Committee created stock ownership goals for executives at the vice president level and above. The goals are for these executives to own common stock worth a multiple of salary, ranging from one times salary for vice presidents up to five times salary for the CEO, within five years from taking the relevant position.

Annual Compensation

General

Annual compensation for Ford executives includes salary and bonus. This is similar to the compensation programs of most leading companies.

The Committee aims to pay salaries at the median of the survey companies over time, adjusted for company size and performance. The Committee also looks at the specific job duties, the person s achievements, and other criteria.

Bonuses

The Annual Incentive Compensation Plan provides for annual cash awards to participants based on achievement of specific performance goals relating to a specific year.

For 2003, the Committee set a bonus formula based on budgeted corporate pre-tax income less a charge for the cost of capital, as adjusted up or down by worldwide cost performance, worldwide market share and customer satisfaction performance. Awards may be less than or greater than 100% of the target award.

The four Named Executives who participated in the special incentive arrangement described below did not receive awards under the Annual Incentive Compensation Plan for 2003. In addition, the CEO and Carl E. Reichardt also did not receive bonuses under the Annual Incentive Compensation Plan, but each of them received a bonus under the 1998 Plan for 2003.

Under the Plan, the Committee sets target awards for Company officers based on each person s level of responsibility. Using business data, the Committee reviewed Ford s performance during 2003 against the goals. The Committee determined that Ford exceeded the cost performance goal, partially met the customer satisfaction performance goal, and did not meet the global market share goal. Based on this performance, the Committee decided to award 100% of the target awards and then make adjustments for individual awards.

The total amount set aside for bonuses in a given year under the Plan depends on Ford s performance during the year against the performance goals. For 2003, the Committee set aside $50.13 million, including funds designated for rewarding top performers. Individual awards depend on each person s level of responsibility. The Committee increased or decreased individual awards from a formula amount, based on leadership level or salary grade level, to reward a person s or group s performance. Data on bonuses for the surveyed companies are not yet available, but the Committee expects Ford s bonuses for 2003 to be below the average of the survey group.

Special cash awards were made in 2004 to twelve officers in key positions for achieving certain financial milestones in 2003 under a special performance incentive arrangement relating to automotive operations results and cost reductions. Four of the twelve officers who participated in this arrangement Nicholas V. Scheele, Allan D. Gilmour, James J. Padilla and David W. Thursfield are Named Executives. (See column (d) of the Summary Compensation Table on p 30.) William Clay Ford, Jr., our Chairman and CEO, and Carl E. Reichardt, our former Vice Chairman, did not participate in this incentive arrangement. Officers who participated in this incentive arrangement did not receive awards under the Annual Incentive Compensation Plan for 2003.

Long-Term Compensation

General

Today s business decisions affect Ford over a number of years. This is why the long-term incentive awards are tied to Ford s performance and the value of Ford s common stock over several years.

The charts on pp. 38 and 39 show the long-term performance of Ford s common stock.

Stock Options

Stock options are an important part of Ford s long-term incentive program. The managers who get them gain only when the common stock value goes up.

In 2001, the executives and other employees received ten-year options in amounts generally similar to prior years. In 2002, top executives received ten-year options in generally greater amounts than in prior years, and other employees received ten-year options in amounts generally similar to prior years. In 2003, top executives and other employees received ten-year options in amounts generally similar to 2001. In deciding the size of individual option grants for 2003, the Committee generally considered the person s job, the person s expected role in the Company s long-term performance, the special retention needs of the Company, the number of options granted to the person in prior years, as well as the total number of options awarded to all employees. You have approved a limit on the number of options that may be granted to any Named Executive in any year. This limit, which is not a target, is 5,000,000, as adjusted under the 1998 Plan. All 2003 stock option grants to the Named Executives were below this limit.

Stock Awards

Certain common stock awards are based on performance against goals created by the Committee over a period of years. In 2003, the Committee granted Performance Stock Rights to Company officers and certain other top executives. These Performance Stock Rights cover the performance period 2003-2005. From 0% to 150% of these rights may be awarded in the form of common stock after this period ends. The awards are based on total shareholder returns of Ford compared to the shareholder returns of all other Standard & Poor s 500 companies, total cost performance, global market share, high-time-in-service customer satisfaction and launch-time customer satisfaction. All of these metrics, except total Ford shareholder returns, were new for the 2003-2005 performance period. Each of the five metrics is weighted equally at 20% and includes a minimum payout threshold of 50% (representing 10% of the total targeted payout).

The size of a person s Performance Stock Rights grant depends on competitive long-term compensation data, the person s job, and the person s expected role in Ford s long-term performance. In general, under the terms of the Performance Stock Rights, less than the maximum number of shares covered by the Performance Stock Right are awarded if the goals are only partly met.

The 1998 Plan sets a limit, approved by you, on the number of shares available as stock awards under Performance Stock Rights to any Named Executive in any year. This limit, which is not a target, is 906,704 shares, as adjusted under the 1998 Plan. The Performance Stock Rights granted in 2003 to any of the Named Executives were below the limit. For the 2003-2005 period, the Performance Stock Rights granted in 2003 included Dividend Equivalents payable in cash.

No Final Awards were made under the 1998 Plan for the performance period 2001-2003. The Committee reviewed Ford s performance during the 2001-2003 performance period against goals relating to total shareholder returns relative to the shareholder returns of all other Standard & Poor s 500 companies. The data reviewed by the Committee showed that Ford shareholder returns were below the minimum level set for an award.

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Select Retirement Plan

To achieve several business goals, the Committee supported making offers under the Select Retirement Plan, a voluntary retirement program for certain U.S. management employees, in 2003. In general, the program added three years of age and contributory service for retirement benefits purposes. To be eligible, employees generally had to be at least age 52 with 10 or more years of service. Some executives retired during 2003 under this program. More information on the program is on pp. 39-41.

CEO Compensation

Annual Compensation

Mr. Ford received quarterly stock option grants in March, June, September and December 2003 in lieu of paying him a cash salary of $375,000 per quarter. The number of shares covered by these stock option grants was based on the Black-Scholes value of the options at the time of grant. (See column (b) of the Options/SAR Grants Table on p. 33.) The amount of salary paid to Mr. Ford in the form of stock options was not increased during 2003.

Mr. Ford was not paid a cash bonus under the Annual Incentive Compensation Plan. Instead, the Committee awarded Mr. Ford Restricted Stock Equivalents under the 1998 Plan. The amount of the award was determined based on a review of the Company s and his performance in 2003, including corporate pre-tax income, cost performance, market share, customer satisfaction performance, and shareholder return. (See column (f) of the Summary Compensation table on p. 30.) The Committee also considered his job as head of a global company with a wide area of control and broad duties and his leadership in the Company s cost reduction efforts, decision making, strategic thinking and development of the senior executive team. The Committee and other non-employee directors of the Company reviewed his 2003 accomplishments, and the Committee considered these combined views.

Long-Term Compensation

The value of the stock options granted to Mr. Ford depends on Ford s future success and whether that success is reflected in the value of the common stock.

In lieu of paying him a cash salary in 2003, Mr. Ford was granted stock options. (See CEO Compensation Annual Compensation above.)

Mr. Ford was not granted any Performance Stock Rights in 2003. In lieu of other long-term incentive compensation, Mr. Ford was granted stock options on January 3, 2003. In deciding the amount of this stock option grant (shown in column (b) of the Options/SAR Grants Table on p. 33), the Committee considered the complexity and duties of his job, his role in achieving the Company s long-term goals, the importance of tying his compensation to the long-term performance of Ford stock, the amount of other long-term incentives that he otherwise would have been granted during 2003, and the number of options he received in 2002 in lieu of other long-term compensation.

Tax Deductibility

Finally, the Committee considered the deductibility of Mr. Ford s compensation under the tax laws. As discussed above, you previously approved plan amendments and new plans allowing Ford to deduct, for federal income tax purposes, certain parts of his compensation (as well as that of other Named Executives) for tax years starting with 1995.

Compensation Committee

Marie-Josée Kravis *(Chair)*
John R. H. Bond
Richard A. Manoogian
Robert E. Rubin

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Compensation Committee Interlocks and Insider Participation

The Compensation Committee is composed of John R. H. Bond, Marie-Josée Kravis, Richard A. Manoogian and Robert E. Rubin, none of whom is an employee or a current or former officer of the Company. John R. H. Bond is the Group Chairman and an executive director of HSBC Holdings plc, and Robert E. Rubin is Chairman of the Executive Committee and member of the Office of the Chairman of Citigroup Inc. Both HSBC Holdings plc and Citigroup Inc. provided investment banking services to the Company in 2003.

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Compensation of Executive Officers

The table below shows the before-tax compensation for the last three years for William Clay Ford, Jr., who served as CEO, the four next highest paid executive officers at the end of 2003, and Carl E. Reichardt, who would have been among the four next highest paid executive officers at the end of 2003 but for his retirement from the Company in August.

SUMMARY COMPENSATION TABLE

					Long-Term Compensation			
		Annual Compensation			Awards		Payouts	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Name and Principal Position	Year	Salary($)	Bonus($)	Other Annual Compensation ($)(1)	Restricted Stock Award(s) ($)(2)	Securities Underlying Options/ SARs (#)(3)	LTIP Payouts ($)(4)	All Other Compensation ($)(5)
William Clay Ford, Jr.(6)	2003	(7)	(8)	174,361	1,503,391	4,486,493	0	0
Chairman and CEO	2002	(7)	0	219,953	0	4,408,247	0	0
	2001	(7)	0	152,877	1,251,346	48,543	0	0
Nicholas V. Scheele (9)	2003	1,000,000	825,000	352,171	0	500,000	0	0
President and	2002	1,000,000	0	207,565	999,714	1,375,000	0	0
Chief Operating Officer	2001	612,000	0	244,093	0	45,000	0	36,718
Allan D. Gilmour (10)	2003	912,500	750,000	0	2,289,000	0	0	1,038,731
Vice Chairman	2002	557,610	0	0	4,622,097	0	0	1,038,731
	2001							
Carl E. Reichardt (11)	2003	(12)	(13)	242,053	3,192,345	0	0	12,694
Former Vice Chairman	2002	(12)	0	474,264	6,806,054	0	0	0
	2001	(12)	0	127,417	151,404	0	0	0
James J. Padilla (14)	2003	900,000	900,000	101,739	968,000	250,000	0	0
Executive Vice President,	2002	730,417	0	84,429	714,790	150,000	0	0
President of the Americas	2001	527,500	0	232,676	0	70,000	0	31,647
David W. Thursfield (15)	2003	900,000	750,000	74,053	968,000	250,000	0	0
Executive Vice President,	2002	623,750	0	35,704	639,813	185,000	0	0
President International Operations & Global Purchasing	2001	496,583	0	69,027	0	45,000	0	29,795

Notes

(1)Amounts shown include the value of Dividend Equivalents paid to the following Named Executives under the Long-Term Incentive Plan in 2003 as follows:

Named Executive	Market Value
Nicholas V. Scheele	$ 107,200
James J. Padilla	$ 100,661
David W. Thursfield	$ 65,700

Also, amounts shown include certain tax reimbursements and, for Mr. Ford, Mr. Scheele and Mr. Reichardt, the aggregate incremental cost to the Company of providing various perquisites and personal benefits. For Mr. Ford, it includes $139,475, $188,390, and $144,596 for required personal use of Company aircraft in 2001, 2002 and 2003, respectively. For Mr. Scheele, it includes $58,865, $71,165 and $215,700 for required personal use of Company aircraft in 2001, 2002 and 2003, respectively. For Mr. Reichardt, it includes $193,467 and $161,355 for personal use of Company aircraft in 2002 and 2003 pursuant to the terms of his employment contract with the Company (see p. 23).

(2)Amounts shown in column (f) reflect the fair market value of common stock on the date of grant. During 2001, Mr. Ford received 58,253 restricted shares of common stock for his services as Chairman. Restrictions on these restricted shares awarded to Mr. Ford lapsed one year from the date of grant. Mr. Ford also received 113,122 Restricted Stock Equivalents as a bonus for 2003. Restrictions on the Restricted Stock Equivalents awarded to Mr. Ford lapse one year from the date of grant (see footnote 8 below). During 2002 and 2003, Mr. Gilmour received restricted shares of common stock for his services as Vice Chairman and Chief Financial Officer of 276,276 shares and 300,000 shares, respectively. Restrictions on the restricted shares awarded to Mr. Gilmour lapse one year from the date of grant. For the period October 30, 2001 through December 31, 2001, for 2002 and for the period January 1, 2003 until August of 2003, Mr. Reichardt received restricted shares of common stock for his services as Vice Chairman of 9,768 shares, 370,526 shares and 357,555 shares, respectively. Additionally, Mr. Reichardt received 50,977 restricted shares in June 2002 for signing a non-compete agreement (the Non-Compete Grant). Restrictions on the Non-Compete Grant were to lapse three years from the date of the grant. Restrictions on the restricted shares awarded to Mr. Reichardt in 2001 and through June 2002 (excluding the Non-Compete Grant) lapsed one year from the date of grant. The remainder of the restrictions on the shares awarded for the period from July 2002 through July 2003 and the restrictions on the Non-Compete Grant lapsed upon his retirement in August 2003 pursuant to the terms of his employment contract with the Company (see p. 23). Mr. Reichardt also received 28,280 restricted shares of common stock as a bonus for 2003. Restrictions on these restricted shares awarded to Mr. Reichardt lapse one year from the date of grant (see footnote 13 below). Messrs. Padilla and Thursfield received restricted shares of common stock on January 3, 2003, of 100,000 shares each in connection with their appointment as Executive Vice Presidents of the Company. Restrictions on these shares lapse on January 1, 2006.

Listed below are the total number of restricted shares of common stock and/or Restricted Stock Equivalents owned by each of the following Named Executives as of December 31, 2003 and the total values thereof based on the market value of the Company s common stock on December 31, 2003: William Clay Ford, Jr., 1,398 shares ($22,368); Nicholas V. Scheele, 56,641 shares ($906,256); Allan D. Gilmour, 300,000 shares ($4,800,000); Carl E. Reichardt, 699 shares ($11,184); James J. Padilla, 140,498 shares ($2,247,968); and David W. Thursfield, 136,250 shares ($2,180,000). Holders of restricted shares of common stock receive the same cash dividends as other shareholders owning common stock and holders of Restricted Stock Equivalents receive Dividend Equivalents.

(3)In general, under the 1998 Plan, stock appreciation rights may be granted along with the grant of options to executive officers. Exercise of a stock appreciation right cancels the related stock option, and vice versa.

(4)This column represents Final Awards under the 1998 Plan. Final Awards are based on the attainment of performance goals and on individual performance. No Final Awards were made in 2002, 2003 or 2004 for the 1999-2001, the 2000-2002, and the 2001-2003 performance periods, respectively.

(5)These amounts are (a) matching contributions by Ford under the Savings and Stock Investment Plan (SSIP) and (b) the values of certain credits provided to the Named Executives under the Benefit Equalization Plan (BEP). Under the BEP, Ford provides benefits substantially equal to benefits that could not be provided under the SSIP because of limitations under the Internal Revenue Code. For 2002 and 2003, the Company suspended SSIP matching contributions and related BEP credits. Additionally, for Mr. Gilmour these amounts include payments made to him in 2002 and 2003 under Ford s retirement plans. Mr. Gilmour has not accumulated additional credited years of service under Ford s retirement plans since returning to the Company as an employee. Also, for Mr. Reichardt these amounts include payments made to him for the period August 1, 2003 to December 31, 2003 under Ford s retirement plans.

(6)From January 2001 until October 30, 2001, Mr. Ford s compensation was for his services as a director and Chairman of the Board. From October 30 for the remainder of 2001, and for 2002 and 2003, Mr. Ford s compensation was for his services as Chairman and CEO. In addition, he was granted 4,000,000 stock options in each of 2002 and 2003 in lieu of other long-term incentive awards.

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(7)Mr. Ford s salary of $250,000 from October 30, 2001 until December 31, 2001 and his salary of $1,500,000 for each of 2002 and 2003 for his services as CEO were paid in the form of 48,543 stock options, 408,247 stock options and 486,493 stock options, respectively (see column (g) above and the Options/ SAR Grants in Last Fiscal Year Table on p. 33).

(8)Mr. Ford s bonus for 2003 was paid on March 12, 2004 in the form of Restricted Stock Equivalents (see column (f) and footnote 2 above and the Compensation Committee Report CEO Compensation Annual Compensation, p. 28).

(9)Mr. Scheele s compensation from January 1, 2001 to August 1, 2001 was for his services as Vice President (Chairman Ford of Europe). From August 1, 2001 to October 30, 2001, Mr. Scheele s compensation was for his services as Group Vice President Ford North America. For the remainder of 2001, for 2002 and for 2003, his compensation was for services as President and Chief