focus on their core business. In-house manufacture was out. Out-sourcing was in. Car compani keen to reduce the thousands of small suppliers they dealt with directly, appointed a series of"First Tier Suppliers," responsible for supplying whole, pre-assembled systems.

Dana's size, experience and commitment made it ideally suited to become a First Tier supplier, and in 1995 the Spicer Modular System Group was formed to maximize Dana's ability to provide customers with this service.

Finally, there was one other excellent reason for Dana to become global. By 1995 Dana was already the largest supplier of automotive components in the United States. Yet it was only the fourth largest worldwide. Put simply, if Dana wanted to be number one in the world, the world w where Dana had to go.

Asia Pacific

Dana's presence in the Asia Pacific dates back to 1972, when a joint venture agreement was signed with the South Korean Shinjin Group. Korea Spicer started as a relatively small operatio while a 50,000-square-foot state-of-the-art facility was being built. Early axle and Driveshaft customers like GM Korea and KIA were soon added to as Korea Spicer gradually extended its product line and began to export. Further expansion in the region over the following few years included acquisitions in Taiwan, Japan, Thailand, Australia and Indonesia.

With half the world's population and half the world's output, Asia Pacific quickly became an integral part of Dana's global market. The future of the region may be even more dynamic. In 1995, five of the region's nations -- China, Indonesia, South Korea, Thailand and Taiwan -- were forecast as likely to become top-ten world economic powers by 2020.

Sport utility vehicles

Market surveys have been done to rationalize it. Anthropologists have been commissioned to explain it. But the recent boom of rugged, four-wheel drive Sport Utility Vehicles like the Jeep Grand Cherokee or Ford Explorer, has not taken place in the countryside, but in America's cities and suburbs. The predominant use of these tough four-by-fours is not off-road bumping and climbing but commuting.

And, according to the experts, America's love affair with Sport Utility Vehicles will continue. Wor leading companies such as Mercedes-Benz, Toyota and Isuzu built a significant presence in the market, convinced that"Sport Utes" would thrive in North America as long as fuel prices remaine low. The market was also expected to grow in South America and Asia Pacific, where the rugge terrain and low fuel costs provided an ideal environment. Which was all good news for Dana people, who have been involved with the Sport Utility Vehicle from its inception.

Dana Distribution

As with its drive to global expansion, Dana's incentive to build a presence in replacement sales owed much to its desire to protect earnings from the violent cycles of original equipment market And as with global expansion, the Dana Style soon proved itself ideally suited to distribution.

The key to the replacement sales market was efficient distribution, and the key to distribution wa people -- people well trained in the latest technologies, able to provide specialized engineering support and willing to travel the extra mile to serve their customers.

In short, Dana people.

At first, after the acquisitions of Perfect Circle and Victor in the 1960s, Dana Distribution had delivered a wide range of Dana's proprietary replacement parts to retail outlets in the North American aftermarket. But with the communication and delivery network that Dana Distribution built worldwide, Dana became a sophisticated, independent global distributor, serving other part manufacturers as well as Dana.