

[SAVE THIS](#) | [EMAIL THIS](#) | [Close](#)

Tuesday, May 12, 2009

## GM set to send terms of sale sheets to potential Saturn buyers

**Robert Snell / The Detroit News**

General Motors Corp. was preparing Monday to submit term sheets to about 12 potential buyers of the endangered Saturn brand, which could include an asking price and a list of assets that might be included in the sale.

The move is the next step in negotiations between GM and suitors interested in distributing vehicles that could be made by a foreign automaker and possibly sold through Saturn's existing dealer network.

The Detroit News has learned that the pool of possible investors includes a group headed by California businessman Gint Federas, who wants to turn Saturn into a company that exclusively produces plug-in hybrid and electric vehicles. Federas, a 57-year-old sandbagging machine inventor and entrepreneur, heads a consulting firm called the Lazarus Team, which includes finance executives who specialize in turning troubled companies around and assisting new ventures.

"We're going to make this a different kind of green car company," Federas told The Detroit News Monday. "We are very attracted to the stand-alone nature of Saturn."

Federas has talked with GM adviser Stephen Girsky, who is reviewing Saturn proposals, and Saturn General Manager Jill Lajdziak about his team's plan, which initially would sell plug-in hybrid vehicles and later, electric cars.

Lazarus would initially contract with GM to supply vehicles but is searching for a manufacturer to eventually build hybrids and electric cars.

Though it could be challenging for a company to make money selling the fuel-efficient vehicles with gas prices hovering around \$2 a gallon, Federas said he expects to capitalize on an expected rise in oil prices.

"When it comes time and gas prices hit \$3 or \$4 a gallon, we'll differentiate ourselves," he said.

GM would not comment about any of the proposals.

Many of the possible bidders are unknown, but several have surfaced in recent weeks.

Detroit auto tycoon Roger Penske is interested in tapping the Saturn brand's dealer network and possibly finding a foreign manufacturer to make new vehicles.

Another group, Telesto Ventures, wants to partner with perhaps multiple foreign manufacturers and import vehicles under the Saturn name. Telesto includes Oklahoma City-based private equity firm Black Oak Partners LLC and several Saturn dealers. It is led by Mark Moore, second-generation head of Bob Moore Auto Group in Oklahoma City, which was one of Saturn's pioneering dealers.

A third group, headed by Ohio autoworker Gary Marvicsin, met with GM recently and proposed building vehicles using union workers at U.S. factories.

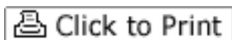
French carmaker Renault SA, along with other foreign automakers, has been in touch about possibly supplying cars that could be distributed in the United States. GM plans to stop building Saturn vehicles at the end of 2009, but is open to building cars on a short-term contract basis if the brand is sold.

On Monday, CEO Fritz Henderson reiterated the company's willingness to sell Saturn, but acknowledged that the brand could simply be phased out after this year.

"We're prepared to try and facilitate something," Henderson said, "as long as it doesn't cost us anything or doesn't hurt us."

**Find this article at:**

<http://www.detnews.com/article/20090512/AUTO01/905120369/GM-set-to-send-terms-of-sale-sheets-to-potential-Saturn-buyers>



[SAVE THIS](#) | [EMAIL THIS](#) | [Close](#)

Check the box to include the list of links referenced in the article.