

# 'Change agent' at Federal Signal

**1ST BLACK CEO** | Auto industry veteran wants to cut costs while pursuing growth opportunities internationally

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William Osborne, the first African-American CEO of Federal Signal, intends to seize opportunities in the Oak Brook-based company's services and technologies businesses for future growth.

Osborne, 48, a 31-year veteran of the auto industry, also foresees streamlining Federal Signal's costs and operating structure while growing internationally.

"I think the skills I've learned in 31 years in one of the toughest businesses on the planet will be useful to grow and transform Federal Signal," Osborne said.

The 107-year-old Federal Signal was once known for making fire trucks and police cars. It still makes the Elgin street sweeper and the Bronto aerial ladder for fire trucks, but it has evolved into technologies that recognize license plate numbers, enhance optical emergency lighting and send out emergency alerts.

Osborne believes Federal Signal plays a valuable role protecting people, property and the environment.

"It's important for me to be involved in companies that have a valuable mission," he said.

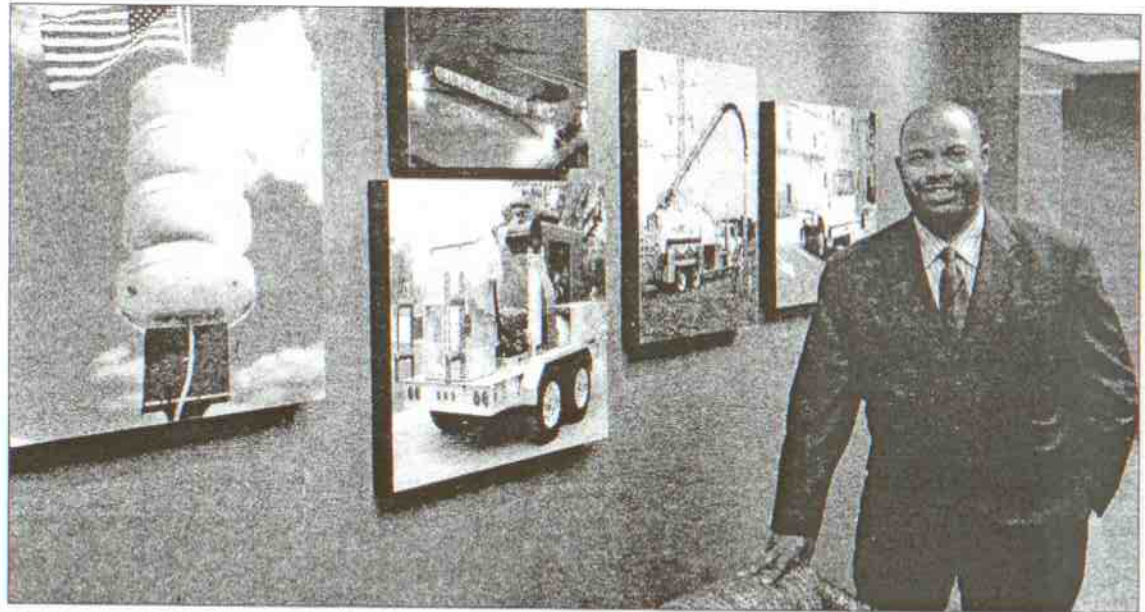
Osborne got an early start in the work world at age 12, helping his mother in her pharmacy and liquor store in his home town of Detroit. His father played saxophone in the

Motown studios, and the younger Osborne recalls seeing Stevie Wonder and members of the Supremes and the Temptations in the West Grand Boulevard neighborhood.

Osborne started working at a Dairy Queen at age 15, which he loved because it offered "all the ice cream you could eat," and in high school, he started working at General Motors' computer operations department after school. He skipped eighth grade and was selected to attend the prestigious GM Institute, now called Kettering University. It was a particularly important opportunity because Osborne's father had died, and Osborne was part of a co-operative education program that enabled him to earn money and attend school.

He obtained a bachelor's degree in mechanical engineering, followed by a master's in mechanical engineering from Wayne State University and an MBA from the University of Chicago.

Osborne worked at GM and Chrysler before making his name at Ford. He oversaw the development of the 2004 F-150 pickup truck, which won more than 30 awards; oversaw Ford's Romeo engine plant, which became the highest-productivity V-8 engine plant in North America; served as president and CEO at Ford of Canada, where the company gained market share for the first time in 10 years and made record profits, and most recently was president and CEO of Ford of Australia, where he oversaw the Southern Pacific region



**Bill Osborne, 48, is the new CEO of Federal Signal, based in Oak Brook. He spent 31 years in the auto industry, working at GM, Chrysler and lastly Ford, where he led units in Canada and Australia.** | AL PODGORSKI-SUN-TIMES

and 7,000 employees.

At Federal Signal, Osborne succeeds interim CEO James Goodwin, a former UAL Corp. CEO who had taken over in December 2007. Goodwin filled a spot left vacant after former CEO Robert D. Welding resigned after 16 quarters of either failing to deliver on the internal budget or Wall Street guidance.

Activist investor Warren Kanders launched a bid in June to become the CEO after criticizing the top management. Kanders sold more than half of his stake in the company after Osborne was hired on Sept. 15.

Federal Signal Non-Executive Chairman Jim Janning said he expects Osborne to be a "change agent"

who will take the company into a variety of new products.

"Bill has a solid operating background. He has run vehicle plants and an engine plant. He knows the large manufacturing and the component manufacturing. He has dealt with dealer problems and he knows sales to municipalities," Janning said.

Federal Signal, which sold its tools and emergency vehicles businesses, employs 3,200 employees worldwide and reported \$1.1 billion in revenues in 2007.

Federal Signal employs 53 at its Oak Brook headquarters; 400 at the Elgin street-sweeper manufacturing plant; 837 at the University Park sirens and alarms manufac-

turing plant, and 600 at a vacuum and sewer-cleaner truck manufacturing plant in Streator.

One analyst believes that Osborne can cut more costs at Federal Signal than the \$20 million the company has already targeted.

Analyst Steve Barger with Key-Banc Capital Markets wrote in a note to investors that he believes Osborne will make sales more consultative, opening avenues to sell engineered solutions to municipalities and industries.

One thing we do know: Osborne won't drop his allegiance to the Detroit Tigers as he moves to Chicago, but he will root for the Cubs.

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