

COVER STORY

Lifeguards

Continued from Page 18A

“The Big Lake, as it is known, provides an entirely different set of challenges – weather, high waves, strong currents, and crowds of people – than placid indoor or outdoor pools,” said Hosier, adding the city also has liability concerns with restarting the lifeguard program.

“Our Council is aware of the liability issue, which is one factor it will weigh in its decision-making moving forward,” she said, noting there’s another issue: “Further complicating the matter is the current litigation the city is facing.”

She declined to comment on the two pending lawsuits, but stressed that South Haven has taken numerous measures to improve beach safety over the last decade, including:

- In 2022, the city passed an ordinance that allows officials to close beaches and piers when conditions are unsafe, and fine violators \$1,000 for ignoring those warnings.
- All beaches provide loaner life jackets to young swimmers and have year-round signs warning that no lifeguards are on duty, that strong currents may exist and swimmers enter the water at their own risk. There also are signs providing detailed information about rip currents and pier safety, and warning buoys at all seven beaches to separate swimmers from boat traffic.

- The city installed so-called Code Blue call boxes near the piers on both North Beach and South Beach that call 911 when activated, and equipped each pier with three, heavy-duty life rings and throw bags with 90 feet of rope.

State defends safety practices

Like municipalities, the state of Michigan says it nixed lifeguards in the early 1990s over liability concerns, staffing challenges and financial constraints.

“Maintaining a consistent, statewide



Beachgoers in South Haven swim in Lake Michigan at their own risk. South Haven is working on a plan to add 19 lifeguards to its two beaches by Memorial Day weekend 2026, estimated to cost \$619,000 the first year. MANDI WRIGHT/DETROIT FREE PRESS

lifeguard program across dozens of remote and high-volume beaches became unsustainable,” says Ed Golder, spokesperson for the Michigan Department of Natural Resources, which oversees Michigan’s state parks and its beaches, adding: “These concerns still exist today, particularly as we continue to navigate seasonal staffing shortages and the need for consistent training and oversight.”

According to Golder, the state’s approach to beach safety now focuses on education, signs, real-time water-conditions monitoring, and the flag warning system – including a double-red flag designation that means the beach is shut down for swimming. Violators can be fined \$500.

New rescue technology also has been adopted, such as using remote-controlled robotic lifeguards, known as

EMILY (Emergency Integrated Lifesaving Lanyard), which are being used at the beaches in New Buffalo and St. Joseph, in addition to lifeguards. Ludington State Park also has used them. Operated by remote control, the torpedo-shaped EMILY robot is sent into the water by a lifeguard when a swimmer is in distress, buying both parties more time for a safer water rescue.

Electronic notification towers also were installed at Grand Haven State Park in 2023. The tower’s LED lights replicate the traditional flag system for water conditions, and the tower contacts a 911 dispatch center in the event of an emergency.

Golder also emphasized the importance of swimmer responsibility, noting that many drownings at state park beaches do not occur within designated swim areas, but in no-swimming zones.

As for the Recreation Passport fees that visitors pay to enter state parks, which generated more than \$40 million in revenue in 2023, Golder said that money is already dedicated to “core park operations,” including staffing, maintenance, infrastructure repairs and accessibility upgrades.

“Shifting that funding to a lifeguard program would require an additional dedicated revenue stream,” said Golder, stressing most people who swim at our beaches are safe.

“Given that 36 million visitors annually recreate at parks across our system, the vast majority of state park visitors swim safely,” Golder said. “Our layered safety measures – signs, flag systems, and staff response – are having an impact.”

Contact Tresa Baldas: tbaldas@freepress.com

Auto earnings

Continued from Page 1A

quarter but to have some positive highlights in the quarter, too. Ives said there were sales that were pulled ahead earlier in the quarter when some buyers, who worried that tariffs would result in immediate price increases on new cars, rushed out to buy vehicles ahead of any price hikes.

After that initial rush, sales slowed in June. That slowdown is expected to neutralize some of the earlier gains in the quarter, lowering overall second-quarter results, Ives said.

“Overall, we are expecting generally in-line quarters from GM with Ford still seeing more” challenges ahead, Ives told the Detroit Free Press in an email.

Part of Ford’s challenges include its costly struggle with safety recalls and warranty claims. In fact, on July 16, Ford issued its 88th recall so far this year on 687,000 SUVs in the United States for fuel leaks that could lead to a vehicle fire. Ford said it will take a \$570 million charge in its second-quarter results due to the recall.

Then, there is the problem with electric vehicle demand that all three companies face as the year progresses.

“The EV strategy remains a wild card for the Detroit Big Three with the loss of the EV tax credit,” Ives said.

Earlier this month, Trump’s “Big, beautiful bill,” which passed Congress, essentially kills the federal EV tax credit. That credit, worth up to \$7,500, has helped automakers sell EVs. The tax credit disappears after Sept. 30.

Daniel Roeska, autos analyst for Bernstein Societe Generale Group, wrote in a research note on July 16 that, across the auto industry, the slower June sales volume (which he said was down 13.1% in June compared with the year-ago June) suggests that the tariff-fueled pull forward in sales in March, April and early May, has ended for the year. That signals that second-quarter earnings for all automakers “will be under pressure” because most (automakers) have not raised prices, yet face a full quarter of tariff costs.

“We continue to expect sales to slow in (the second half) and (automakers’) production cuts seem to concur,” Roeska wrote. “This forces (automakers) into a tight spot in the second half: stimulate sales by eating even more into margins, or start passing on incremental cost to consumers. For now, it seems investors remain hopeful that tariff cost will be

transitory and to U.S. automakers’ advantage – but we are not convinced.”

General Motors’ expected results

GM will report its second-quarter earnings on the morning of July 22. The automaker, which sells Cadillac, Buick, Chevrolet and GMC brands, has already warned Wall Street it is facing a potential cost of \$4 billion to \$5 billion this year due to tariffs.

According to a Yahoo Finance report, GM is expected to deliver a decline in year-over-year earnings on lower revenues. Zach’s Consensus wrote GM is expected to post quarterly earnings of \$2.44 per share, a year-over-year dip of 20.3%. Revenues are expected to be \$45.34 billion, down 5.5% from the year-ago quarter.

Still, GM has exceeded earnings expectations for the past several quarters, and in the second quarter sales rose exponentially for the company’s best second quarter since 2016. GM reported July 1 it sold 746,588 vehicles in the United States, up 7% from last year, when it sold 696,086 vehicles during the period. Electric vehicle sales rose substantially, solidifying GM’s position as the second-largest seller of electric vehicles in the U.S. behind Tesla.

Across all brands, GM sold 62,830 electric vehicles from January to May of 2025, with the Chevrolet brand comprising 37,620 of those sales. During the same time period, Ford sold 34,132 vehicles across its all-electric vehicle lineup, which currently includes the Mustang Mach-E, F-150 Lightning and the E-Transit van.

GM’s latest efforts to thwart tariffs were announced in the second quarter. The Detroit automaker will invest a historic \$4 billion in U.S. manufacturing. GM announced earlier this year that the investment is part of its three-pronged strategy to offset as much as 30% of tariff impacts – increasing U.S. vehicle and parts production, a roughly \$2 billion cost reduction, and holding fast to its pricing strategies.

These strategies may impact earnings in later quarters as they work to help insulate the company against further tariff exposure. CFO Paul Jacobson has said impacts from the fluctuating tariff landscape were only marginal on earnings but would be more strongly felt in the second quarter.

Meanwhile, on July 4, GM reported that its second-quarter vehicle sales in China were the highest since the same quarter in 2021. GM had been losing ground in China for some time, both in

terms of sales and profits, and had spent billions to restructure its business there. GM’s sales in the country exceeded 447,000 vehicles, marking the automaker’s second consecutive quarter of year-over-year sales growth in one of the world’s most competitive automotive markets with a 20% increase – the highest annual gain for a single quarter since first quarter 2021.

Stellantis’ expectations

Stellantis, the parent company of Chrysler, Dodge, Jeep, Ram, Fiat and several European brands, is expected to report second-quarter results before the market opens on July 29. The company, which has its U.S. operations based in Auburn Hills, has seen its financials slide for several quarters now, leaving Wall Street analysts’ expectations tempered.

Patrick Hummel, a market analyst who covers Stellantis at the Union Bank of Switzerland, wrote in a forecast that he shared with the Detroit Free Press that Stellantis will likely reinstate the financial guidance it discarded earlier this year now that the automaker has adjusted to the impact from tariffs.

Still, Hummel forecasts that Stellantis will report a net profit that is lower than last year’s figure. He wrote that Stellantis’ future outlook looks slightly better than it has in the past, because it is relatively well equipped to navigate tariffs. But a completely positive future remains uncertain.

“While risk-reward starts to look better with a lower-than-feared tariff burden, there is still a big question mark about a successful U.S. turnaround in a very competitive market environment,” the report reads.

Hummel noted a particular challenge Stellantis will face: Its upcoming vehicles – four-door and internal combustion engine variations of the new Dodge Charger and the forthcoming Jeep Cherokee – are made in Canada and Mexico respectively, and both will be subject to the 25% import tariff. Hummel said despite both vehicles containing a high percentage of U.S. parts, he expects below-average profits from both vehicles due to the costs of tariffs.

Stellantis has struggled in recent years. Former CEO Carlos Tavares had a rocky tenure and resigned in late 2024 as the company struggled with poor sales numbers, excessive inventory, job cuts and a fraught relationship with North American dealers and employees who felt Tavares neglected the North American segments he oversaw.

On May 28, Stellantis announced that former Jeep boss Antonio Filosa would take the helm as CEO of Stellantis. Filosa, in contrast to Tavares, has largely spent the first months of the job insinuating Stellantis will take a more intentional approach to the North American market.

Since the start of 2025, Stellantis’ stock price has fallen by more than 25%. In the last 12 months, Stellantis stock has decreased by more than 50%.

At the end of last year, Stellantis reported a net profit of \$5.8 billion (5.5 billion euros), which marked a 70% decline from 2023’s profits. After a tumultuous first quarter, during which much of the auto industry panicked as Trump implemented his tariff policies, Stellantis announced it would be suspending its financial guidance for the year.

Ford Motor Co.’s expected results

The Dearborn-based company will announce second-quarter earnings after the market closes, on July 30. Ford said in its first-quarter results that it expects to see a \$1.5 billion net hit to profits this year due to tariffs.

But Ford sold 612,095 vehicles in the quarter, up 14.2% from the year-ago period on strong demand for pickups and hybrids. It’s “From America, For America” employee pricing for all sale helped immensely, driving the Ford brand to top Toyota brand in first half total U.S. sales.

According to Yahoo Finance, analysts expect Ford to report an adjusted-earnings per share of 30-cents, down 36.2% from the year-ago quarter. Ford has surpassed or met Wall Street’s earnings estimates in two of the last quarters while missing on another occasion, Yahoo Finance reported.

Last quarter, Wall Street celebrated even though Ford reported a 5% plummet in its revenue to \$40.7 billion, simply because the automaker beat expectations. At that time, Ford said tariffs impacted its adjusted earnings before interest and taxes (EBIT) by \$200 million in the quarter.

Ford also warned of turbulence ahead. Ford said with the May 5 report that because of tariff uncertainty, it will suspend its financial guidance for 2025, including full-year adjusted-EBIT as well as its adjusted free cash flow expectations.

Jamie L. LaReau is the senior autos writer who covers Ford Motor Co. for the Detroit Free Press. Contact Jamie at jlareau@freepress.com. Follow her on Twitter @jlareauan.