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# DRIVING FOREIGN RELATIONS: THE EUROPEAN SPORTS CAR AND THE GLOBALIZATION OF AMERICA

by

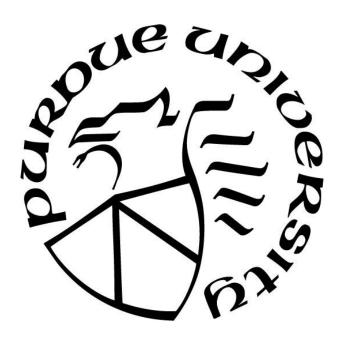
### Keenan J. Shimko

### **A Dissertation**

Submitted to the Faculty of Purdue University

In Partial Fulfillment of the Requirements for the degree of

### **Doctor of Philosophy**



Department of History West Lafayette, Indiana May 2018

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To any or the Distance of the	
To my parents, Richard and Yvonne, whose unwavering support made this endeavor possible.	

### **ACKNOWLEDGMENTS**

As I sit here looking at my completed dissertation and type this it is hard to believe that seven years have gone by since I came to Indiana to attend my first semester of graduate school. It seems like only yesterday that I threw nearly everything I owned into the back of my father's Ranger pickup truck and headed east, brimming with the unrelenting optimism of youth to start the next phase of my academic career. However, much like then I must acknowledge that this was not a solitary effort, and I owe a substantial amount to my colleagues, family, and friends who have helped me along the way.

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I would also like to thank the members of my dissertation committee, beginning with William Gray, who had served as my initial advisor as a master's student and was encouraging and enthusiastic about the new directions my work was taking. Many discussions with William deeply influenced the direction of my dissertation and helped me to articulate my project's broader economic significance. John Larson first let me into the program, and also lent his considerable expertise in business history in the preliminary phase. Lastly, special thanks to Rayvon Fouché for

joining my committee at the last minute and offering a fresh perspective from beyond the discipline of history.

Pursuing a doctorate, and particularly traveling to complete the research required for a dissertation project is not cheap. Therefore, I must thank the Department of History for funding my studies continuously through TA assignments and several Summer Research Grants. Additionally, thanks are due to the College of Liberal Arts for providing the PROMISE grants that funded travel to international conferences and also allowed me to complete research for my dissertation in England. Lastly, I am grateful to have been awarded a Samuel Flagg Bemis Dissertation Research Grant from the Society for Historians of American Foreign Relations which provided a significant portion of the funding necessary for a prolonged research trip to the corporate archives of Porsche, Mercedes, and BMW in Stuttgart and Munich. It goes without saying that without such support completing the project would not have been possible.

This project was based largely on documents from business archives which are under no obligation to allow scholars access, let alone aid them in their search. For that reason, I am gratified to have enjoyed considerable assistance from American archivists Linda Skolarus from The Benson Ford Research Center, Christo Datini from the General Motors Heritage Center and Media Archive, and Skip Marketti from the Nethercutt Museum. In Germany the work of the archivists was compounded by my less-that-fluent German language skill and I am deeply indebted to Herr Jens Torner and Frau Sara Pelters from the Porsche Historisches Arkiv, Herr Wolfgang Rabus from the Daimler-Benz Group Arkiv, and Frau Julia Oberndörfer from the BMW Group Archiv who helped me sharpen my focus and get the documents I needed. I am also grateful for the help of Herr Eberhard Merk from the Baden-Würtemburg Landes Arkiv and the staff of the National

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The process of completing a Ph. D is one of increasing isolation and for that reason I owe an incredible debt of gratitude to my friends whose continued support (in the form of drinking, adventuring, and venting) made these past years bearable. In no particular order thanks to: Brian and Sam Alberts, Max Rieger, Andrew McGregor, Rachel Steely, A.W. Bell, Ed Gray, Michelle Martindale, Matthew Schownir, Renee Gaarder, Cesare Guariniello, Olivia Hagedorn, Haley Bowman, and Alex Dessens. However, a special shout-out to close friends from middle school Will George, Lee Taber, and Shawn Merrill. It can take quite a bit of effort to keep old friendships going as more and more time goes by, especially when they cross time-zones, so I am incredibly grateful to these guys for making the time to log-on early, stay up late, and even traveling to Indiana to hang out. Without you guys I certainly would not have been able to retain my sanity.

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brother: I have missed some of the most formative years of your life, and it is one of my deepest regrets. Thank you for your support and understanding.

Saving the best for last, I must thank my incredible wife Alison. I did not imagine that I'd be hosting my future wife when I offered up a spare bed for a visiting prospective student way back in 2013. In fact, I can say with a great degree of certainty that had I not met you I would have returned to California for good that summer and never even had taken on this project. Beyond that though you have brought light and joy into my life and supported me throughout the incredibly difficult process of producing this dissertation. These simple words will never be enough to adequately express my overwhelming gratitude.

## TABLE OF CONTENTS

ABST	'RACT	X
INTRO	ODUCTION	1
CHAP	PTER 1. A EUROPEAN PHENOMENA: DEVELOPMENT OF THE SPORTS	CAR
AND I	ENTHUSIAST CULTURE	17
1.1	Motor-Racing and the Development of the European Sports Car	22
1.2	Taxation and European Engine Design	29
1.3	The Development of Enthusiast Culture	34
1.4	The Effects of European Contingency	37
1.5	The Divergent Path of Interwar American Automotive Development	43
1.6	Cold War Military Service as a Conduit for the European Sports Car	47
CHAP	PTER 2. A BRITISH INVASION	56
2.1	'Export or Die': The Push for Automakers to Export	61
2.2	Changing Tax Policy: A Push to Aid Automotive Sales	72
2.3	The Effect of the British Sports Car on American Enthusiast Culture	81
2.4	'The European Tour': Using the idea of 'Europe' to Sell the Sports Car	91
CHAP	PTER 3. 'DER PORSCHE VAS PUSHIN': A CASE STUDY	100
3.1	Identifying the Market and Means to Entry	105
3.2	Hoffman, Porsche, and Adaptation for the American Consumer	110
3.3	Marketing European Performance to American Consumers	123
3.4	Porsche Club of America	128
CHAP	PTER 4. AMERICAN ADAPTATION AND APPROPRIATION OF THE EUROP	PEAN
SPOR	TS CAR	144
4.1	An American Copy: The Chevrolet Corvette	147
4.2	An American Appropriation: The Ford Thunderbird	163
4.3	Opel: If You Can't Beat them, Import Them	170
4.4	The Enthusiast Reaction to the Corvette	178
CHAP	TER 5. 'GOES LIKE SCHNELL': REGULATIONS, NIXON SHOCK, AND BMY	W 185
5.1	'Burdensome' Safety and Emissions Regulations	189

5.2	'Neue Klasse': The BMW Sports Sedan	. 202
5.3	Time to Go Racing: BMW's Brand Image	. 219
	OGUE	
BIBLIOGRAPHY		. 238

### **ABSTRACT**

Author: Shimko, Keenan J. PhD Institution: Purdue University Degree Received: May 2018

Title: Driving Foreign Relations: The European Sports Car and the Globalization of America

Major Professor: Dr. David Atkinson

Historians are just beginning to examine the ways in which Americans were affected at home by contact with the peoples and cultures of Europe through consumption. As Kristin Hoganson notes in Consumer's Imperium, when it comes to Americanization and the globalization of culture "we know more about the outgoing tide than the incoming swells." My dissertation takes the notion of Americanization and inverts it to examine the influence of a European product, the sports car, on American consumers and automobile manufacturers in the postwar period. By using European sports cars as a case study to explore the influence of European culture, modes of production, and manufacturers within postwar America I challenge the myth of postwar American cultural and economic impermeability. Secondly, I argue that the process described as Americanization was one part of a larger process of cultural and economic globalization, and that the globalization of America began immediately following the end of World War II. The tendency to ascribe globalization a national character is a relic of the privileged position that America held when technology and geopolitical reality all made America finally, inescapably, global. Therefore, my work provides a new context for understanding the ultimate collapse of the Bretton-Woods agreements in 1971 and America's increasingly globalized economy by demonstrating that globalization was a process that began immediately after the end of the war rather than a "shock" that came in the 1970s.

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<sup>&</sup>lt;sup>1</sup> Hoganson, Consumer's Imperium, 5.

### INTRODUCTION

Americans assumed a position of global economic and cultural primacy following the end of the Second World War. Consequently, historians examining the postwar and Cold War periods have tended to portray Americans and their consumption-driven popular culture as a monolithic, quasi-imperial construct, engulfing or consuming the local cultures and practices of Western Europe. This notion is encapsulated by the term "Americanization," which has become shorthand for the expansion of American products as well as cultural and economic power. The term Americanization has come to represent an entire field of historical scholarship precisely due to the slippery nature of its definition. Akin to the term "empire," Americanization can be defined in such a way as to represent dramatically different understandings of the spread of American political, cultural and economic power and practices from the late nineteenth century to the present.

<sup>&</sup>lt;sup>2</sup> See C.W.E. Bigsby, ed., Superculture: American Popular Culture and Europe (Bowling Green: Bowling Green State University Popular Press, 1975), Emily Rosenberg, Spreading the American Dream: American Economic and Cultural Expansion, 1890-1945 (New York: Hill & Wang, 1982), Frank Costigliola, An Awkward Dominion: American Political, Economic, and Cultural Relations with Europe, 1919-1933 (Ithaca: Cornell University Press, 1984), Kristin Thompson, Exporting Entertainment: America in the World Film Market 1907-34 (London: British Film Institute, 1986), Ralph Willet, The Americanization of Germany, 1945-1949 (New York: Routledge, 1989), Irwin M. Wall, The United States and the Making of Postwar France, 1945-1954 (Cambridge: Cambridge University Press, 1991), Peter Duignan & L.H. Gann, The Rebirth of the West: The Americanization of the Democratic World, 1945-1958 (New York: Blackwell, 1992), Richard F. Kuisel, Seducing the French: The Dilemma of Americanization (Berkeley: University of California Press 1993), Rob Kroes, R.W. Rydell, & D.F.J. Bosscher eds., Cultural Transmissions and Receptions: American Mass Culture in Europe (Amsterdam: VU University Press, 1993), Reinhold Wagnleitner, Coca-Colonization and the Cold War: The Cultural Mission of the United States in Austria After the Second World War (Chapel Hill: University of North Carolina Press 1994), Mary Nolan, Visions of Modernity: American Business and the Modernization of Germany (Oxford: Oxford University Press, 1994), Rob Kroes, If You've Seen One, You've Seen the Mall: Europeans and Mass Culture (Urbana: University of Illinois Press, 1996), Richard Pells, Not Like Us: How Europeans Have Loved, Hated, and Transformed American Culture Since World War II (New York: Basic Books 1997), Alfred E. Eckes, Jr. & Thomas W. Zeiler eds., Globalization and the American Century (Cambridge: Cambridge University Press, 2003), R. Laurence Moore & Maurizio Vaudagna eds., The American Century in Europe (Ithaca: Cornell University Press, 2003), Agnes C. Mueller, German Pop Culture: How American Is It? (Ann Arbor: University of Michigan Press, 2004); Victoria de Grazia, Irresistible Empire: America's Advance through 20th Century Europe (Cambridge: Harvard University Press, 2005), Robert W. Rydell & Rob Kroes, Buffalo Bill in Bologna: The Americanization of the World, 1869-1922 (Chicago: University of Chicago Press, 2005), Alexander Stephan ed., The Americanization of Europe: Culture, Diplomacy, and Anti-Americanization after 1945 (New York: Berghahn Books 2006), Greg Grandin, Fordlandia: The Rise and Fall of Henry Ford's Forgotten Jungle City (New York: Picador, 2010).

It is also tangled in debates about whether this is process is Americanization at all, or whether it is cultural imperialism, cultural transfer, or a facet of a broader process of economic and cultural globalization. Yet if we accept this notion of Americanization then we must also consider the inverse: How did the consumption of European products and culture influence Americans during this period?

Historians are just beginning to examine the ways in which Americans were affected at home by contact with the peoples and cultures of Europe through consumption.<sup>3</sup> As Kristin Hoganson notes in *Consumer's Imperium*, when it comes to Americanization and the globalization of culture "we know more about the outgoing tide than the incoming swells." By taking the notion of Americanization and examining these incoming European swells, my dissertation makes two key contributions to the historiography. First, by using European sports cars as a case study to explore the influence of European culture, modes of production, and manufacturers within postwar America I challenge the myth of postwar American cultural and economic impermeability. Secondly, I argue that the process described as Americanization was one part of a larger process of cultural and economic globalization, and that the globalization of America began immediately following the end of World War II, through the consumption of a European product—the sports car—by American consumers who were never as isolated from European influences as has been portrayed. The tendency to ascribe globalization a national character is a relic of the privileged position that America held when technology and geopolitical reality all made America finally,

<sup>&</sup>lt;sup>3</sup> For examples of the shift toward explorations of the way in which the United States has been affected by Europe see Kristin L. Hoganson, "Stuff It: Domestic Consumption and the Americanization of the World Paradigm" in *Diplomatic History* Vol. 30 No. 4 (Malden: Blackwell, 2006); Kristin L. Hoganson, *Consumer's Imperium: The Global Production of American Domesticity, 1865-1920* (Chapel Hill: University of North Carolina Press, 2007), Brooke L. Blower, *Becoming Americans In Paris: Transatlantic Politics and Culture Between the World Wars* (Oxford: Oxford University Press, 2011), and Andrew C. McKevitt, "You are not Alone!": Anime and the Globalizing of America, *Diplomatic History*, Vol. 34, No. 5 (Malden: Wiley Periodicals, 2010), 893-921.

<sup>4</sup> Hoganson, *Consumer's Imperium*, 5.

inescapably, global. Therefore, my work provides a new context for understanding the ultimate collapse of the Bretton-Woods agreements in 1971 and America's increasingly globalized economy by demonstrating that globalization was a process that began immediately after the end of the war rather than a "shock" that came in the 1970s, as a recent volume suggests.<sup>5</sup>

By extension, this project also argues that the automobile should be analyzed in a critical and transnational context. As a means of conveyance, it has fundamentally shaped the ways in which people and populations move between or across spaces; as a commodity it has shaped trade agreements and played a key role in determining the perceived balance of economic power among nations. More specifically, I argue that the car as a cultural object, and especially the sports car, has shaped the way individuals interact with the environment, with others, and even the way that they perceive themselves and their communities. As early automotive advertising clearly demonstrates, the sports car was deeply attached to notions of masculine power, sexuality, and freedom. Furthermore, the numerous automobile clubs, periodicals, and (albeit later) internet forums that sprung into existence—combined with the fact that automobile enthusiasts have driven, and continue to drive, across continents, and even ship their vehicles across oceans, in order to participate in club and social meets—clearly show that there is a cultural significance to the automobile that rivals that of any other international commodity.

Finally, this dissertation is centered on a specific category of vehicle: the sports car. This project will use the British automotive journalist and amateur historian Cyril Posthumus's

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<sup>&</sup>lt;sup>5</sup> Niall Ferguson ed. *The Shock of the Global: The 1970s in Perspective* (Cambridge: Harvard University Press, 2010), and David Kuchenbuch, "Eine Welt": Globales Interdependenzbewusstsein und die Moralisierung des Alltags in den 1970er und 1980er Jahren" *Geschichte und Gesellschaft*, 38. Jahrg., H. 1, (Januar –März 2012), pp. 158-184 which charts the emergence of the conception of "global" among consumers. For more on the Bretton-Woods agreements see Benn Steil, *The Battle of Bretton Woods: John Maynard Keynes, Harry Dexter White, and the Making of a New World Order* (Princeton: Princeton University Press, 2013) and Harold James "The Multiple Contexts of Bretton Woods" in *The Oxford Review of Economic Policy* Vol. 28 No. 3 (Oxford: Oxford University Press, 2012), pp. 411-430.

definition: "a sports car is one in which performance takes precedence over carrying capacity."6 However, on a more nuanced level this project defines the sports car as a product with a particularly European origin. The sports car was born of the European industrial ethos, which favored small batches, individual craftsmanship, and was influenced by the geography, urbanization patterns, and tax structures of Europe. This European vision of a performance vehicle intended for road use was not suited (or at least not optimized) for the highways that connected American towns, especially in the Midwest, Southwest, and Great Plains regions. Nor was it easily adaptable to the prewar American industrial ethos, which favored large batch production of a single multipurpose vehicle, as exemplified by the Ford Model T. However, as European sports cars begin to trickle into the domestic market following the end of the Second World War, American manufacturers first reflected then refracted the European vision of the sports car to suit the expectations of American buyers. 8 My dissertation examines how American producers tried to reproduce the European sports car by both borrowing European production styles as well as modifying the sports car into something that could be mass produced, all while attempting to retain a kernel of "Europeaness" that would appeal to the target consumer: automobile enthusiasts. Indeed, both domestic and foreign automakers struggled to maintain the balance that would attract the enthusiast consumer while also appealing to a broader American consumer base.

<sup>&</sup>lt;sup>6</sup> G.N. Georgano, *The History of the Sports Car* (New York: E.P. Dutton & Co. 1970), 11.

<sup>&</sup>lt;sup>7</sup> Ibid, 14-15. See also Nick Georgano ed., *Britain's Motor Industry: The First Hundred Years* (Somerset: G.T. Foulis & Company, 1995), For more on the small batch, European style of production and its competition with and later assimilation of Fordist modes of production see Mary Nolan, *Visions of Modernity: American Business and the Modernization of Germany* (Oxford: Oxford University Press, 1994).

<sup>&</sup>lt;sup>8</sup> For example, the initial model year of the Corvette was clearly an aim at matching the European sports car ideal; the 1953 Corvette was a small two-seat roadster powered by a small (by American standards) inline six-cylinder engine. However, by 1958 the Corvette came with a V8 engine as standard, as well as grew dimensionally for greater comfort. See Karl Ludvigsen. *Corvette: America's Star-Spangled Sports Car, The Complete History.* 2<sup>nd</sup> ed. (Princeton: Princeton Publishing Inc., 1978).

This dissertation contributes to four related but distinct historiographies. First, non-state actors played a key role in the initial turn of the field towards transnational methodologies and tools and as such provides a key historiographical foundation upon which my project builds. The second historiography is defined by some historians' focus on the unidirectional movement of economics, products, and culture from America to Europe, encapsulated by the term Americanization. The notion of unidirectional movement has engendered pushback among some scholars, creating a subset of this literature which argues that Americanization is a myth, and that Europeans exercised enormous agency over which elements of American culture were integrated. The third historiography is the conflation of Americanization with imperialism. Lastly, my project engages a central paradox that divides the field: the seeming incompatibility of Americanization and globalization. An exploration of the historiographic roots of these key themes serves to ground my project within the field, but also demonstrates the value of this dissertation.

Historians of American foreign relations have increasingly placed non-state actors at the center of their inquiries. This has allowed historians to move beyond the state and examine transnational influences on American foreign relations at a grassroots level. For example, Emily Rosenberg's work has demonstrated the influence of non-state actors by focusing on businessmen who spread American culture with government support while pursuing their own economic goals. Frank Costigliola also analyzed American efforts to transmit American culture to Europe during the interwar years and this early work was later complemented by historians such as Victoria de Grazia and Kristin Hoganson, who shifted the focus from one type of non-state actor—the

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<sup>&</sup>lt;sup>9</sup> Emily S. Rosenberg, *Spreading the American Dream: American Economic and Cultural Expansion*, 1890-1945 (New York: Hill and Wang, 1982), 38.

producer—to the consumer.<sup>10</sup> My project bridges the gap between divergent bodies of literature by examining both the producer, in this case the automobile manufacturer, and the consumer, in this case the enthusiast. This allows me to tell a broader story. For instance, the automakers of Europe may have envisioned themselves as selling a particular aspect of the European culture, but how was this interpreted by the consumer? Did it factor into their decision to consume the product? When American automakers began to market their own sports cars, what did they attempt to sell as "European" and was that related to what the European producers thought they were selling? Indeed, it is questions like these that often go unanswered in other works that examine the spread of American culture abroad. De Grazia raises these kinds of questions in *Irresistible Empire*, in which she examines numerous aspects of American culture spreading to Europe such as the chain store, supermarket, and Hollywood-star worship.<sup>11</sup> But exactly what these developments meant to the consumers, and what the act of consumption meant to them is lost. This is precisely what my project seeks to inject into the literature.

The second key historiographic theme concerns the ostensibly unidirectional movement of culture– from America to Europe: a notion predicated on the balance of power that gave rise to the interpretive framework of Americanization in the first place. Dissenting scholars tried to demonstrate that not only was American culture not forced upon Europeans, but also that Europeans exhibited enormous agency in deciding which elements of American culture they would

<sup>&</sup>lt;sup>10</sup> Frank Costigliola, An Awkward Dominion: American Political, Economic, and Cultural Relations with Europe, 1919-1933 (Ithaca: Cornell University Press, 1984), Kristin L. Hoganson, Consumer's Imperium: The Global Production of American Domesticity, 1865-1920 (Chapel Hill: University of North Carolina Press, 2007) and Victoria de Grazia, Irresistible Empire: America's Advance through 20<sup>th</sup> Century Europe (Cambridge: Harvard University Press, 2005).

<sup>&</sup>lt;sup>11</sup>Victoria de Grazia, *Irresistible Empire*, 376-415.

adopt and to what extent they would integrate them. <sup>12</sup> My project adds to this literature by demonstrating the movement of culture in the opposite direction—from Europe to America—and in so doing it complicates the traditional narrative of Americanization. Using the sports car, I build upon Richard Pells' notion of adaption and appropriation, to demonstrate that Americans were also engaged in these processes. <sup>13</sup> This project examines the range of responses to the European sports car among American automakers, who sought to sell an analogue that would appeal to a broader American audience while still remaining faithful to that kernel of European culture that drew the initial enthusiast consumers.

Some scholars of Americanization see a more sinister aspect to the global spread of American culture, and this defines the third key historiography with which my project engages: the notion of Americanization as imperialism. Characterizing America's relationship to the world as a form of imperial domination has been a popular way of understanding how an increasingly powerful United States, both in terms of economics and geopolitics, has interacted with other

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<sup>&</sup>lt;sup>12</sup> For further examples of arguments against Americanization see Irwin M. Wall, *The United States and the Making of Postwar France*, 1945-1954. (Cambridge: Cambridge University Press, 1991), Richard F. Kuisel, *Seducing the French: The Dilemma of Americanization* (Berkeley: University of California Press 1993), Robert J. Golsan & Alexander Stephan, eds. "From French Anti-Americanism and Americanization to the 'American Enemy" in *The Americanization of Europe: Culture, Diplomacy, and Anti-Americanization after 1945* (New York: Berghahn Books 2006), and Michael Wildt, Susan Strasser, Charles McGovern, & Matthias Judt, eds. "Changes in Consumption as Social Practice in West Germany During the 1950s" in *Getting and Spending: European and American Consumer Societies in the Twentieth Century* (Cambridge U.K.: University of Cambridge Press 1998).

<sup>&</sup>lt;sup>13</sup> Richard Pells, *Not Like Us: How Europeans Have Loved, Hated, and Transformed American Culture Since World War II* (New York: Basic Books 1997), xv.

nations.<sup>14</sup> However, despite using the term empire, nearly all these historians point out the ways in which American domination looks unlike any other imperial formation.<sup>15</sup> Victoria de Grazia argues that America offered a model of "informal empire" or "market empire".<sup>16</sup> Arguably the most imperial aspect of de Grazia's market empire is the limitation on national sovereignty over public space that it enforces.<sup>17</sup> I demonstrate that this works in both directions: the limited sovereignty imposed by a free market ethos also affects American public space and the domestic market. But where de Grazia sees this process as Americans attempting to overspread Europe and gain control, my project sees it as a function of the capitalist ethos, separate from the state, and an artifact of globalization.

<sup>&</sup>lt;sup>14</sup> While there are more-or-less uncontested interpretations of earlier U.S. policy as explicitly imperial, such as the opening of Japan in 1844 by Admiral Matthew Perry, the acquisition, subsequent colonization and administration of the Philippine Islands following the American victory in the Spanish American War (1898), and the invasion and occupation of Haiti, it is important to note that these are not the cases referred to as imperial by the term "Americanization." The notion of Americanization as imperialism refers specifically to the twentieth-century, especially interwar and post-World War II, spread of American economic and cultural hegemony. There is an additional caveat here as well, namely that the historiography of Americanization tends to have a general trend of focusing on western European countries such as France, Germany, Austria, and Great Britain. For more on late nineteenth and early twentieth century examples of American foreign relations as more classic imperial forms see Ronald Steel, Pax Americana (New York: The Viking Press, 1967), Mary A. Renda. Taking Haiti: Military Occupation and the Culture of U.S. Imperialism, 1915-1940 (Chapel Hill: University of North Carolina Press, 2001), Greg Grandin, Fordlandia: The Rise and Fall of Henry Ford's Forgotten Jungle City (New York: Picador, 2010), Michael Adas. Dominance By Design: Technological Imperatives and America's Civilizing Mission (Cambridge: Harvard University Press, 2006), and Aims McGuinness, Path of Empire: Panama and the California Gold Rush (Ithaca: Cornell University Press, 2009). As a perhaps more extreme example, historian Thomas Bender argues that American westward expansion on the North American continent was itself a manifestation of empire in A Nation Among Nations: America's Place in World History (New York: Hill and Wang, 2006).

<sup>&</sup>lt;sup>15</sup>For more on the spread of American culture as an imperial form see Ralph Willet, *The Americanization of Germany*, 1945-1949. (New York: Routledge, 1989), Reinhold Wagnleitner, *Coca-Colonization and the Cold War: The Cultural Mission of the United States in Austria After the Second World War* (Chapel Hill: University of North Carolina Press 1994), Andrew J. Bacevich, *American Empire: The Realities and Consequences of U.S. Diplomacy* (Cambridge: Harvard University Press, 2002), Andrew J. Bacevich, *The Imperial Tense: Prospects and Problems of American Empire* (Chicago: Ivan R. Dee, 2003), Victoria de Grazia, *Irresistible Empire: America's Advance through 20<sup>th</sup> Century Europe* (Cambridge: Harvard University Press, 2005), Niall Ferguson, *Colossus: The Rise and Fall of the American Empire* (London: Penguin, 2005), and Michael Adas, *Dominance By Design: Technological Imperatives and America's Civilizing Mission* (Cambridge: Harvard University Press, 2006), Alexander Stephan ed., *The Americanization of Europe: Culture, Diplomacy, and Anti-Americanization after 1945* (New York: Berghahn Books 2006).

<sup>&</sup>lt;sup>16</sup> Victoria de Grazia. *Irresistible Empire*, 6

<sup>&</sup>lt;sup>17</sup> This notion is not new, historian C.W.E. Bigsby noted in his 1970 volume that American power rested, "in a commercial enterprise and dominance which potentially threatens national autonomy." See C.W.E. Bigsby, *Superculture: American Popular Culture and Europe* (Bowling Green: Bowling Green University Press, 1975), 2

Americanization is a misnomer, and what de Grazia and others are actually describing is the process of globalization and Europeans' assimilation into an increasingly global market, albeit one led by the United States. In this regard my project is aligned with Andrew McKevitt's suggestion that "historians frame the U.S. encounter with Japanese products like anime in the context of contemporary cultural globalization." In place of Japanese products, my project examines European products and the sports car. My project also differs in postulating that this process of globalization begins nearly immediately following the end of the Second World War, rather than during the latter quarter of the twentieth century. By illustrating how European culture was transported to America and consumed by Americans affecting a transfer of that culture in the 1950s, my project shows that the contemporary globalization of America began as soon as the Second World War ended, not as a "shock" that came in the 1970s or 1980s as other historians have postulated.

Seeking to integrate transnational and global approaches, the field is now engaging with the paradoxes of Americanization and globalization, and this delineates the final key historiography. This new wave of scholarship is denoted by a methodological shift that examines transnational cultural flows moving into America. <sup>20</sup> This shift is exemplified by Kristin

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<sup>&</sup>lt;sup>18</sup> Andrew C. McKevitt, "'You are not Alone!': Anime and the Globalizing of America," *Diplomatic History*, Vol. 34, No. 5 (Malden: Wiley Periodicals, 2010), 920.

<sup>&</sup>lt;sup>19</sup> Niall Ferguson et al, eds. *The Shock of the Global: The 1970s in Perspective* (Cambridge: Harvard University Press, 2010), and Andrew C. McKevitt, *Consuming Japan: Popular Culture and the Globalizing of 1980s America* (Chapel Hill: University of North Carolina Press, 2017).

<sup>&</sup>lt;sup>20</sup> For further examples of this trend see Kristin L. Hoganson, "Stuff It: Domestic Consumption and the Americanization of the World Paradigm" in *Diplomatic History* Vol. 30 No. 4 (Malden: Blackwell, 2006), Kristin L. Hoganson, *Consumer's Imperium: The Global Production of American Domesticity, 1865-1920* (Chapel Hill: University of North Carolina Press, 2007); Jesse Hoffnung-Garskoff, *A Tale of Two Cities: Santo Domingo and New York after 1950* (Princeton: Princeton University Press, 2010); Gary Okihiro, *Pineapple Culture: A History of the Tropical and Temperate Zones* (Berkeley: University of California Press, 2010); Donna R. Gabaccia, *Foreign Relations: American Immigration in Global Perspective* (Princeton: Princeton University Press, 2012), and Andrew C. McKevitt, *Consuming Japan: Popular Culture and the Globalizing of 1980s America* (Chapel Hill: University of North Carolina Press, 2017).

Hoganson's Consumer's Imperium, In that book, Hoganson establishes middle class households as "contact zones," places of international, or more accurately transnational, connections due to the European or Far Eastern products they consume. 21 It is also supported by McKevitt's Consuming Japan, in which he argues that "Consuming all things Japanese helped create a globalized America..."<sup>22</sup> However, he joins with other scholars of American consumption in the postwar period in proposing that many of the foreign products Americans consumed were culturally blank, like the VCR, Television set, among other similar consumer electronics.<sup>23</sup> Yet doing so neutralizes one of the central arguments of the 'Americanization' thesis, which is that consumption aids in the transmission of culture. Therefore, by viewing the sports car as a product that was imbued with a European enthusiast and motorsport culture, this project grapples with cultural transmission from Europe to America. My contribution to this historiography is made possible by multi-national, multi archival research in business, government, and enthusiast archives which allowed access to the voices of both the producers and consumers of the sports car. My work thus joins this developing body of scholarship by both arguing against the notion of American cultural expansion as empire—demonstrating that not all foreign imports were culturally blank—and expanding upon Hoganson's and McKevitt's work to study the cultural and economic effects of the domestic consumption of a specific foreign product.

This dissertation comprises five chapters, an introduction, and a conclusion. It is temporally bounded by the beginning of limited production sports car manufacture in the 1920s and by the opening of a Volkswagen production facility in Pennsylvania in 1978. Until 1978, all foreign

<sup>&</sup>lt;sup>21</sup> Kristin L. Hoganson, Consumer's Imperium, 8.

<sup>&</sup>lt;sup>22</sup> Andrew C. McKevitt, Consuming Japan, 2.

<sup>&</sup>lt;sup>23</sup> Rieger does the same thing in his monograph on the Volkswagen Beetle, arguing that its popularity among Americans was based on the car being a blank slate upon which one could project whatever cultural attributes one wanted. See Bernhard Rieger, *The Peoples Car: A Global History of the Volkswagen Beetle* (Cambridge: Harvard University Press, 2013).

vehicles imported into the United States were built and assembled abroad and arrived in American ports as complete vehicles. These vehicles were designed and manufactured in the country in which the brand was headquartered, and were therefore assumed to be imbued with certain tangible and intangible qualities derived from their nation of origin, even if some of the major components were manufactured elsewhere. However, after these brands began manufacturing in the United States, the seemingly clear boundary lines separating imports from domestic manufacturers began to blur. It was no longer clear what "Made in America", or Germany, or anywhere else really meant when a vehicle could be designed in England, its chassis made in Germany, with an engine manufactured in Brazil, to be sold only in the United States. <sup>24</sup> Even though Volkswagen's production facility in 1978 turned out to be a failure, the boundary that it marks—the end of production largely within a single nation—is very much a clear separation of different periods in automotive, and indeed American, history.

The beginning, however, is more nebulous. As early as the late 1890s, automotive ideas and technologies flowed between Europe and the United States. By the 1920's an early automotive culture had developed in which the power and luxury of a personal automobile was a signifier of social status. In Europe, as automotive technology became more reliable, the car as a provider of leisure or pleasure, and not merely a motive device, grew in popularity. This spawned early European racing series. From there, ideas and practices of speed and performance began to enter the motoring mainstream. In the United States, however, automotive development took a different

<sup>&</sup>lt;sup>24</sup> This vehicle is the 1985-1989 Merkur XR4Ti, an attempt by Ford to break into the lucrative sports-luxury market established by German imports, specifically BMW. For more on the growth of multinational business and economic globalization see Mira Wilkins eds. *The Growth of Multinationals* (Aldershot: Edward Elgar Publishing Limited, 1991) and for more a broader reading on multinational enterprise see Richard J. Barnett, & Ronald E. Müller, *Global Reach: The Power of the Multinational Corporations* (New York: Simon & Schuster, 1974), Alice Teichova, Maurice Lévy-Leboyer, and Helga Nussbaum. *Multinational Enterprise in Historical Perspective*. (Cambridge: Cambridge University Press, 1986).

turn; mass production and the focus on utilitarian design (exemplified in the Ford Model T) meant, with few exceptions, that consumers looking for a taste of performance would have to train their eyes upon automotive developments in Western Europe. It was not until after the Second World War in the United States that the rise of the personal sports car, associated with a racing pedigree but designed entirely for street use, truly began.

Therefore, the first chapter, "A European Phenomena: Development of the Sports Car and Enthusiast Culture," establishes the separate paths that automotive development took in the United States and Europe. It demonstrates that the sports car was a vehicle with a distinctly European heritage which lacked a direct American analogue due to differing tax frameworks, industrial, social, and cultural ethos, and interwar contingencies such as the economic depression of the 1930s. Furthermore, it illustrates an established European enthusiast culture in the form of organized single marque owners and amateur racing clubs, which in turn demonstrates that these vehicles were not culturally void. Therefore, the meeting of Americans and the sports car, a result of wartime service either in the Second World War or during Cold War deployments, constituted a catalyst for a process of cultural globalization among Americans. This is illustrated by an examination of American enthusiasts' response to meeting the sports car in Europe, and how they brought back elements of this European enthusiast culture, along with the cars, to America.

The second chapter, "A British Invasion," uses the intersection of international economic pressure, domestic legislation, the British sports car, and their American consumers, to shed light on the British attempt to regain economic power in an era dominated by American economic strength. This chapter traces the economic and political forces behind Great Britain's policies of 'Export or Die,' and the resulting increase in exports of British sports cars to the United States. Next it examines the efforts of the British Government to aid sales of British automobiles. This

came in the form of changes to two significant automotive tax schemes, which were designed to make the British automotive industry more competitive in the export market, and to be able to sell British cars to visiting Americans, especially American servicemen. The third section of this chapter examines the culture that British sports cars brought with them to America and its adoption by American enthusiasts. European enthusiast culture, complete with factory support for single-marque driver's clubs and amateur motorsport events, aided in the dramatic expansion of sports car sales in the American market. Finally, this chapter examines the ways in which the idea of 'Europe' was used to increase sports car sales by British brands. This illustrates how the initial penetration of British brands, and the resultant exposure of the sports car niche, was made possible by the concerted effort of the British government and its Board of Trade. This complicates narratives of Americanization as empire by demonstrating that the American market was not only susceptible to outside influence, but in this case the process of globalization was actively aided by the British government.

The third chapter, "Der Porsche vas Pushin'," examines how Porsche broke into the American market in the 1950s after British export policies had demonstrated the potential of the sports car niche. Porsche, alone amongst its competition, only produced sports cars and therefore serves as an ideal case study to examine the ways in which the design, engineering, and marketing of a German performance vehicle served to transport elements of European automotive and German culture to American consumers. This chapter also examines the way in which Porsche products were transformed by their contact with distributors and American consumers. Porsche adapted for the American market while simultaneously retaining the kernel of European authenticity which both appealed to American consumers and served to transport elements of German culture to Americans. Particular attention is given to the Porsche Club of America, an

American enthusiast organization which grew around the cars and provides a unique lens into how much German culture was imbued in the cars and transferred to their new American owners. These processes illustrate the fluidity of global cultural exchange, fostered through consumption, and clearly demonstrate a type of globalization taking place within America that begins in the 1950s.

The fourth chapter, "American Adaptation and Appropriation of the European Sports Car," examines the response of General Motors and Ford to the challenge of competing with the European sports car. It focuses on the Chevrolet Corvette, the Ford Thunderbird, the Opel GT, and the Opel Rallye. By examining the influence of European automotive design and culture, I take the interpretive model of 'Americanization' and invert it to examine how the importation and sales of the European sports car influenced the American automotive industry. The Chevrolet Corvette appeared in 1953 as a copy of a British design aesthetic and performance ideal. Ford had been caught off guard by the release of the Corvette, and sought to quickly create a competitive product, and the Thunderbird, released one year later, was a copy of copy. This chapter complicates the traditional narrative of 'Americanization,' demonstrating that American industries and consumers were influenced by European products through consumption, and that American manufacturers adapted and appropriated these products to enter a niche of their own domestic market, even in one of America's largest and most powerful industries.

The fifth chapter, "'Goes Like Schnell': Regulations, Nixon Shock, and BMW," illustrates how one European brand, BMW, navigated the treacherous years of the Oil Shocks, rode the economic waves generated by the collapse of the Bretton Woods system, and built a profitable brand in the United States by injecting European sports-performance into the sedan platform, long thought to be a sector of the American market secured by domestic manufacturers. It begins by tracing the disillusionment many American consumers felt towards domestic automakers, a

process which began in the late 1960s and only grew more pronounced in the 1970s. Here I use the Corvair crisis as a case study to examine how American manufacturers laid the groundwork for increasing safety and emissions legislation through their own inaction, poor engineering decisions, and their incredibly poor approach to public relations in their defense. I then shift to examine BMW's approach to entering the US market from the company's perspective, illustrating how, despite clear warning signs, they sought to use Max Hoffman as a distributor to build their brand in the United States from 1960-1975, and despite success, BMW's ultimate decision to end their relationship with Hoffman. Finally, the chapter explores how BMW used a factory racing team entered in an American GT racing series to bolster their brand image of performance when American emissions regulations blocked the importation of their most powerful cars. In so doing BMW redefined what a sports car could be to American consumers and created a new market niche, the sports-sedan that continues to form the basis of their brand image worldwide.

The epilogue provides an overview of the establishment and failure of Volkswagen's assembly plant in Pennsylvania, before undertaking a brief examination of the growing Japanese competition in sectors of the American automobile market usually dominated by domestic manufacturers. Both of these factors contributed to the nationalistic 'Buy American' advertising campaigns of the late 1970s and illustrate the severity of growing foreign competition in the American automotive market, the decline of American industrial dominance, and the globalization of the American automotive market. However, even in an era of global production, questions of national origin and national difference are still relevant. In this final section, I examine contemporary automotive enthusiasts, who continue to grapple with the nationality of automobiles in an era of truly global production, demonstrating that issues of cultural authenticity and nationality are still relevant to American enthusiasts.

This dissertation therefore offers an original contribution to the historiography of the United States in the world by examining domestic consumption of a particularly European product, the sports car, and the subsequent adaptation, reflection, and refraction of that product and its associated culture by American automakers and the Americans who consumed them. The timeline is also significant in that it complicates the traditional narrative of Americanization; certainly, American products travelled abroad in a vast torrent that carried with it aspects of the consumer driven society that produced them, however, American popular culture was never untouched by its European encounters. If we accept that the consumption of American products "Americanized" Europe then we must consider that the consumption of European products may have "Europeanized" America. In this light, my dissertation demonstrates that the globalization of popular culture was something that occurred within the United States, not just beyond its borders, even at the postwar height of its international prestige and power.

# CHAPTER 1. A EUROPEAN PHENOMENA: DEVELOPMENT OF THE SPORTS CAR AND ENTHUSIAST CULTURE

"Mr. Vanderbilt was one of the first, if not the first, American to import an automobile, use it on the superb highways of Long Island, assist in educating the minds of the public to its limitless possibilities, and maintain his interest in its development both at home and abroad. His interest in its development at home was the cause of his offering for competition, open to the clubs of the world, the cup bearing his name, and in the possession of which there is and will be displayed so lively an interest." – Vanderbilt Cup Race Pamphlet, 1904

In the autumn of 1904 William K. Vanderbilt II—heir to an impressive fortune and an automotive enthusiast—sponsored one of the first international road races ever held on American soil. It was his intention to use the massive (by the standards of the day) prize purse to lure European racing drivers and factories to bring their machines across the Atlantic and expose an American audience (and American manufacturers) to European automotive engineering prowess. The race took place in October of 1904, over roughly 30 miles of public road around Long Island. The route began in the Village of Westbury and proceeding through Jericho, the Village of Hempstead, Queens, and New Hyde Park, before finishing back in Westbury. This circuit was to be repeated ten times for a total race distance of 284.4 miles. At six-am the first car left the starting line and nearly seven hours later, at 1:08pm, American expatriate driver George Heath, famous for his racing exploits in Europe, crossed the finish line first in his French-built and factory sponsored Panhard.<sup>25</sup>

<sup>&</sup>lt;sup>25</sup> First International Competition for the William K. Vanderbilt Jr. Cup, 8 Oct. 1904. Box #14 Series IV: Commemorative Programs to Series V: Races and Endurance Runs 1900-1905, Accession #1708 Automotive Related Programs, The Benson Ford Research Center, Dearborn, MI.

The Vanderbilt annual race series fell far short of its intended goal: influencing automobile manufacturers in the U.S., and promoting European style racing events in America. This was despite its popularity among American 'automobilists' – the initial term for people who would later be called automobile enthusiasts – and despite its fairly long and consistent run; the race was held most years from 1904 to the beginning of American involvement in World War I in 1916. Rather, the Vanderbilt series, billed as "the great international struggle of 1906," brought concerns over the safety of road racing to the fore after a spectator was killed in that year's running of the race causing the event to be cancelled for the following year. <sup>26</sup> Far from promoting the cause of motor racing in the United States, the Vanderbilt races promoted the isolation of Americans from European-style motorsport and derived automotive technology. In 1908 the Vanderbilt Cup Race was held again, this time with protective barriers erected along the route. However, in solidarity with new rules set by the Automobile Club of France, a powerful sanctioning body within Europe, the event was boycotted by the "great firms of Europe," again frustrating Vanderbilt's intentions.<sup>27</sup> While a quantity of races that would give rise to the sports car were being held in Europe within the first two decades of the 20th century, American events would be far fewer. Furthermore, concerns over safety largely relegated races to tracks designed solely for the purpose of motorsport, thus hindering the development of a true 'sports' car, in America.

This chapter chronicles the development of a distinctly European vehicle, the sports car, from the turn of the century to the interwar period, and its limited exposure to Americans. The divergent development of the automobile in the United States and Europe had several contributing

<sup>&</sup>lt;sup>26</sup> A.G. Batchelder, "The First American Road Race" *Official Program, Score-Card and Guide of the Third International Race for the Vanderbilt Cup*, Oct. 6<sup>th</sup> 1906. Box #15 Series V, Races and Endurance Runs 1906-1914, Accession #1708 Automotive Related Programs, The Benson Ford Research Center, Dearborn, MI.

<sup>&</sup>lt;sup>27</sup> "1908 Vanderbilt Cup Race: America's first victory in the Vanderbilt Cup Races" Reprinted from "Program for the Antique Auto Show" *Veteran Motor Club of America* March 8-14 1948.

Accessed 09/10/2017 from http://www.vanderbiltcupraces.com/races/story/1908\_vanderbilt\_cup\_race.

factors. Firstly, the industrial ethos of American manufacturers lent itself to the development of a single model type that could be mass produced on an automated line rather than a more traditional European style of production in small factories by skilled craftsmen with most of the assembly process involving little more than simple hand tools. This meant that European manufacturers were better suited to take on limited-production projects, like the sports car, in addition to lending a more exotic, bespoke nature to the vehicles in the eyes of American consumers. Secondly, the nature of the European driving environment with its narrow and often winding roads required a vehicle to have certain driving dynamics such as agility and road-holding, in addition to smaller overall size. These attributes were reinforced through participation in European motorsport, which in much of Continental Europe took place on public roads. This can be contrasted with the United States which generally featured wide thoroughfares and long distances of relatively straight roads. This was mirrored in emergent American motorsports like the Indianapolis 500 which focused on maximum sustained speed on a simple oval course. The European sports car was also shaped by legislation in the country in which it was produced. For example, taxes on engine displacement or power output which influenced the size and design paradigm of the engine. This, in turn, directly influenced the driving dynamics of the vehicle. The 'horsepower tax' devised by the British, for example, placed greater emphasis on bore size rather than stroke and therefore most British engines produced under this tax scheme were undersquare, or long-stroke. These engines produce strong torque at low and midrange rpm, but tend to have a lower redline and lower horsepower output at high engine speeds.<sup>28</sup> Finally, due to the sporting nature of the cars and friendly competition, Europeans developed a distinct automotive enthusiast culture oriented around participation in

<sup>28</sup> John Wilkinson, "The Effect of the Relation of Stroke and Bore in Automobile Engines," SAE Technical Paper 130007, 1913. Accessed 09/12/2017 from https://doi.org/10.4271/130007.

enthusiast clubs based upon a manufacturer or the practice of certain types of amateur motorsport such as the Grand Prix, or road race, and the Rally. This enthusiast culture would be transported through the purchase of European sports cars and explode in popularity in the US, demonstrating the permeability of American culture in the postwar period.

This chapter will begin with the genesis of the sports car in European motorsport. It also establishes the three significant precursors of the postwar European sports car: the Bentley 3-Liter sports-tourer, Bugatti as a marque, and the MG M-Type Midget as lenses through which to analyze the development of the European sports car.<sup>29</sup> I argue that each of these vehicles and/or their parent marque contributed significantly to the development of the sports car as a popularly recognizable category of specialty vehicle, even if that category is constantly contested by enthusiasts. Through the analysis of the three brands and vehicles I highlight the key differences between the European environment in which the development of the sports car took place and automotive development in America, thereby demonstrating the unique 'European-ness' of the sports car. Furthermore, I demonstrate that these vehicles and manufacturers play significant roles in the establishment of a European enthusiast culture which will also travel to America as the cars found their ways to American consumers. Lastly, this chapter will examine how Americans became aware of the European sports car through military service in Europe, or amateur motorsports in America, each case demonstrating the uniqueness of the European sports car as seen from the perspective of an American consumer.

<sup>&</sup>lt;sup>29</sup> The history of the sports car is far too long and varied to receive any sort of comprehensive treatment in this project. The numerous histories of the "sports car" particularly, to say nothing of the histories of specific sports-marques and models, are simply overwhelming. For a more comprehensive history of the development of the sports car as a category of performance vehicle see: John Stanford, *The Sports Car: Development and Design* (New York: Charles Scribner's Sons, 1957), G.N. Georgano, *A History of Sports Cars* (New York: E.P. Dutton & Co. Inc., 1970), Colin Campbell, *The Sports Car: Its Design and Performance* 4<sup>th</sup> Ed. (London: Chapman and Hall, 1978), and Andrew Noakes, *The Ultimate History of the Sports Car: From Early Enthusiasts' Racers to Performance Supercars* (New York: Parragon Publishing Inc., 2005).

In so doing this chapter supports three key pillars of my overarching argument. Firstly, this chapter establishes the difference in automotive development in the United States and Europe, demonstrating that the sports car was a distinctly European type of vehicle which lacked a direct American analogue due to differing tax frameworks, industrial, social, and cultural ethos, and interwar contingencies such as the economic depression of the 1930s. Furthermore, the European sports car also had an established European enthusiast culture in the form of organized single marque owner's and amateur racing clubs. Therefore, the meeting of Americans and the sports car, a result of wartime service either in the Second World War or later Cold War deployments, constituted a catalyst for a process of cultural and economic globalization. As Americans purchased sports cars they also bought into a quasi-European enthusiast identity, evidenced by the formation of American enthusiast organizations and activities along European lines. In so doing this chapter complicates the narrative of 'Americanization' by demonstrating that America (and Americans) were never as isolated from foreign products and cultural influence, even at the height of American global power in the late 1940s through the 1950s, as has been portrayed in extant literature.<sup>30</sup>

<sup>&</sup>lt;sup>30</sup> For 'Americanization' in the postwar context see Ralph Willet, *The Americanization of Germany*, 1945-1949 (New York: Routledge, 1989), Irwin M. Wall, The United States and the Making of Postwar France, 1945-1954 (Cambridge: Cambridge University Press, 1991), Peter Duignan & L.H. Gann, The Rebirth of the West: The Americanization of the Democratic World, 1945-1958 (New York: Blackwell, 1992), Richard F. Kuisel, Seducing the French: The Dilemma of Americanization (Berkeley: University of California Press 1993), Rob Kroes, R.W. Rydell, & D.F.J. Bosscher eds., Cultural Transmissions and Receptions: American Mass Culture in Europe (Amsterdam: VU University Press, 1993) Reinhold Wagnleitner, Coca-Colonization and the Cold War: The Cultural Mission of the United States in Austria After the Second World War (Chapel Hill: University of North Carolina Press 1994), Rob Kroes, If You've Seen One, You've Seen the Mall: Europeans and Mass Culture (Urbana: University of Illinois Press, 1996), Richard Pells, Not Like Us: How Europeans Have Loved, Hated, and Transformed American Culture Since World War II (New York: Basic Books 1997), Alfred E. Eckes, Jr. & Thomas W. Zeiler eds., Globalization and the American Century (Cambridge: Cambridge University Press, 2003), R. Laurence Moore & Maurizio Vaudagna eds., The American Century in Europe (Ithaca: Cornell University Press, 2003), Agnes C. Mueller, German Pop Culture: How American Is It? (Ann Arbor: University of Michigan Press, 2004), Victoria de Grazia, Irresistible Empire: America's Advance through 20th Century Europe (Cambridge: Harvard University Press, 2005), Alexander Stephan ed., The Americanization of Europe: Culture, Diplomacy, and Anti-Americanization after 1945 (New York: Berghahn Books 2006).

#### 1.1 Motor-Racing and the Development of the European Sports Car

The postwar European 'sports car' has its roots in a long history of prewar automotive development, and, as automotive historian G.N. Georgano argues, European motorsport played a significant role in the development of the sports car as a sub-category of the automobile. Georgano notes that while there were vehicles in 1914 whose performance was, "exceptional by the standards of the day," it would not be until the 1920s that the, "sports car [was] established as type." 31 Critically, he still situates the genesis of the sports car as an idea in the International Touring Car Competition for the Herkomer Trophy, an annual race held in Germany from 1905-1911.<sup>32</sup> This is not surprising considering contemporary Europeans viewed Germany in the early 1900s as a leader in the development of the fast automobile. After Wilhelm II purchased a 1903 Mercedes the wealthy German aristocracy followed suit and the patronage by the rich resulted in the development of technically advanced cars whose owners, "were not slow to organize local highspeed competitions..."33 The Herkomer race featured a road section of 500 miles, a hill-climb, and a speed trial at the finish. While the cars entered in the initial 1905 running were largely standard touring cars, the rules were changed in 1906 and vehicles no longer received competition points for 'coachwork.' In the name of lightness doors were replaced with canvas, seats were removed or lightened, and flared wings appeared over the wheels. Georgano demonstrates that these halftouring, half-racing cars foreshadow the cars of the next five years and generated the 'sporting car' as a category of vehicle.<sup>35</sup> However, it is key to note that these early vehicles were not 'sports cars' and not thought of as such by contemporaries. Rather the two classes of vehicles for much of the

<sup>&</sup>lt;sup>31</sup> G.N. Georgano, A History of Sports Cars (New York, E.P. Dutton & Co. Inc.: 1970), 11.

<sup>&</sup>lt;sup>32</sup> Ibid, 24.

<sup>&</sup>lt;sup>33</sup> John Stanford, *The Sports Car: Development and Design* (New York: Charles Scribner's Sons, 1957), 34.

<sup>&</sup>lt;sup>34</sup> G.N. Georgano, A History of Sports Cars, 24.

<sup>35</sup> Ibid.

first two decades of the Twentieth Century would be touring cars and racing cars. The crossover of these two categories of vehicles would be the sports car, and as automotive enthusiast Ken Purdy argues in his work *Kings of the Road*, a book contemporaneous with the 'British Invasion' of postwar sports cars, it would not emerge in its final form until the end of the 1920s with the MG M-Type Midget. However, Purdy's argument is clouded by the contemporary atmosphere in which the book was written at the height of the 'British Invasion,' a time when British marques (and MG in particular) dominated American sports car sales. Therefore, in focusing on the early MG, Purdy's work misses the critical contribution of the specialty vehicles of the 1920s which ultimately influenced the driving characteristics by which the sports car category would be defined. Therefore, I situate the genesis of the European sports car in the 1920s. This development was characterized by a combination of the driving characteristics of the major specialty marques of the era, Bentley in England, and Bugatti in France, and the cost-effective design and production techniques that emerge from Morris Garages in the form of the MG M-Type Midget of 1928.

The period from the turn of the century to 1914 saw rapid technological development in the field of automobility, however, by the middle of the 1920's a name was beginning to be readily associated when one mentioned 'sports-touring' as a category of vehicle – the precursor of the sports car – W. O. Bentley, founder of the English company Bentley Motors. Bentley was a British businessman and engineer who had started the firm Bentley and Bentley with his brother in March of 1912 as the London sales agency of three French automotive brands and would go on to design two engines for use in aircraft. During his stint as salesman Bentley had relied upon motorsport as a method of advertising which was not as capital-intensive as traditional print advertising and

<sup>&</sup>lt;sup>36</sup> Ken W. Purdy, *Kings of the Road* (New York: Bantam Books, 1963), 3. Note: This work was first published in 1952 and is a volume comprised of chapters which appeared in the *Atlantic Monthly* and *Readers Digest* in the early 1950s.

equally, if not more, effective.<sup>37</sup> Essentially, by entering the cars he sold in local and regional races he showcased their performance and build-quality to a large audience without having to create costly print materials. After the war Bentley would take what he had learned in the design of aeronautical engines and apply those lessons to the design of an all-new 3-Liter powerplant for automotive use. Not content to sell or license his design to other manufacturers, he also designed an automobile around the new engine. When it came to marketing the new car Bentley fell back on the sales philosophy he had used in 1912: entering his cars in European road races.

The presence of Bentley vehicles in prominent European racing events meant that "the Bentley was 'news' to a greater extent than any other sporting car of the period. Nor did Bentley aim low when it came to the races he entered, "the Bentley Le Mans victories in 1924, 1927, 1928, 1929, and 1930 resulted in front page headlines... in which patriotism, snobbery and the worship of speed were equally mixed." The endurance race at Le Mans was, for Europeans, the most well-known international race of the period, and it was widely covered in both the European and American press. The effectiveness of Bentley's strategy is noted by automotive enthusiast Malcom Bobbitt who asserts, "The Bentley victory at Le Mans was covered to good effect by the motoring press and a number of sales resulted from the publicity." Aside from the performance of the cars themselves, the Bentley's sporting image was further enhanced by the cars association with a close-knit group of automobile enthusiasts, wealthy young English sportsmen and racing drivers known by contemporaries as the 'Bentley Boys.' The racing exploits and success of the Bentley Boys supported the high-performance reputation of the brand. However, the Bentley Boys also imbued the Bentley brand with an association to British high society and the aristocratic class,

<sup>37</sup> Charles L. Lam & Mark Sherwin, "W.O. Bentley," *Builders and Drivers of Sports Cars* (Ancarano: Edizione Savine, 2014).

<sup>&</sup>lt;sup>38</sup> G.N. Georgano, A History of Sports Cars, 69.

<sup>&</sup>lt;sup>39</sup> Malcom Bobbitt, W.O. Bentley: The Man Behind the Marque (Stoke-on-Trent: Breedon Books, 2003), 164.

linking European motorsport directly with associations of wealth. With the vehicle's image established, both through racing victory as well as by its association with British high society, the Bentley 'sports-touring' car soon became a much sought-after item among wealthy Europeans.

A further element which was made the Bentley automobiles a critical component in the development of the European sports car is that the models which Bentley raced at Le Mans and elsewhere were essentially production cars. Unlike the racing cars of the period which tended to feature sets of redundant components and extensive (for the time) instrumentation, there were only a few instruments and backup components added to the Bentley competition vehicles. This was a fact that was quickly noted by the public as indicated by a newspaper report on the 1922 Isle of Man Time Trial, the first European race in which Bentley participated as a manufacturer, which read, "The most outstanding feature of this race was the running of the Bentleys... their unquestionable claim to glory is based on the fact that, for all practical purposes, they were standard stock cars as sold to the general public." Therefore the Bentley cars combined high-speed track performance with street-driving capability, what would become essential components of the modern postwar sports car. Of course, one must keep in mind that Bentley also sold the chassis, the frame and powertrain of the car, to be bodied by coachbuilders in a wide variety of styles, some of which were large, heavy, and clearly intended for touring use.

American enthusiasts were also exposed to the Bentley more directly, again as a result of Bentley's use of racing as an arena for marketing. In 1922, as one of his first major racing events, W.O. Bentley decided to enter one of his 3-Liter racing cars in the 10<sup>th</sup> International 500-Mile Sweepstakes Race, better known among modern enthusiasts as the 'Indy 500'. Despite

<sup>&</sup>lt;sup>40</sup> The Sunday Times 25<sup>th</sup> June 1922 quoted in Arthur F.C. Hillstead, Those Bentley Days (London: Faber and Faber, 1953), 61.

'International' being in the name of the event it was largely an American affair, out of the twentysix vehicles lines up at the start of the race, only 4 were European: three from France (two Ballots and one Peugeot) and the British Bentley. 41 The Bentley finished 13th, a respectable outcome for the relatively new auto manufacturer, but not impressive enough to generate demand for the Bentley 3-Liter among American consumers. As Bobbitt demonstrates, "the episode really did very little to establish Bentley sales across the Atlantic. Recalling the event W.O. admitted that the car simply wasn't fast enough compared to the American machines..."42 Due to the relative failure of the Bentley at Indianapolis, the extreme costs of competing in America, and the Bentley's consistent cash shortages, the 1922 Indianapolis 500 would be both the first and last time Bentley would officially compete in an American race. Continuing financial hardship ultimately resulted in Bentley being bought-out, first by wealthy friend and racing driver Woolf Barnato who sustained the company until 1931 when Bentley was sold for the second time to Rolls Royce. Under Rolls Royce Bentley was reduced to a shadow of its former self, a platform for Rolls to market performance vehicles in the few years before war came again to Europe. As rapidly as it had come on the scene in the years after World War I, the Bentley marque receded in the late 1930s; however, the influence of the Bentley brand on the marketing and sustained high-speed performance associated with the European sports car remains. Amateur racing, the type popularized by the 'Bentley Boys' would continue to be a key aspect of enthusiast culture and, therefore, a marketing tool used to sell sports cars to Americans following World War II.

It is surprising, considering the English dominance in the sports car segment in the immediate postwar period, that the first foreign automobile marque that most Americans would

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<sup>&</sup>lt;sup>41</sup> "Indianapolis 500" *Ultimate Racing History*, Accessed 10/2/2017 from http://www.ultimateracinghistory.com/race.php?raceid=19991.

<sup>&</sup>lt;sup>42</sup> Malcom Bobbitt, W.O. Bentley: The Man Behind the Marque, 151.

identify as a sports car hailed from France. Even more curious, its designer and namesake was an Italian. Ettore Bugatti was an Italian expatriate who began building automobiles around the age of 17, first in Italy and later in France. <sup>43</sup> By 1910 he had begun to build automobiles under his own name, founding the Bugatti marque, although his brand's image would be built on the cars of the interwar period. While Ettore Bugatti had little interest in racing in terms of winning and brand rivalries, he was aware of not only the publicity that could be garnered from racing, but the opportunity it provided to test or improve technical aspects of his vehicles. <sup>44</sup> This was, of course, in keeping with the prevalent trends of specialty automobile manufacturers of the interwar period which had been already established by Bentley.

By 1939 Bugatti vehicles had won nearly ten thousand European races, both major and minor, and established thirty-seven records for speed, indicative of the importance in motorsport to Bugatti as a development and publicity tool. The fame earned on the racetracks of Europe succeeded in carrying the Bugatti name across the Atlantic to American enthusiasts, albeit mostly those who were attuned to European motorsport. The association of the Bugatti car with the 'sports car' class of vehicle among American enthusiasts is demonstrated by the numerous articles written and re-printed about the marque in postwar editions of *Sports Car*, the official publication of the Sports Car Club of America (SCCA). The SCCA was an organization which had its roots in prewar racing and general enthusiast clubs, but which was not tied to a specific marque or manufacturer, and became increasingly prominent in the late 1940s and 1950s. The writing which appears in the SCCA publications thus serves as a bellwether for the interests among the broader swath of American sport-automobile enthusiasts. For instance, out of seven 'want' ads taken out in the

<sup>&</sup>lt;sup>43</sup> Ken W. Purdy, Kings of the Road, 8.

<sup>&</sup>lt;sup>44</sup> L'Ebé Bugatti, *The Bugatti Story* trans. Len Ortzen (Philadelphia: Chilton Book Company, 1967), 74.

May/June 1945 issue, six are for European sports cars or European parts, and three of those are for Bugatti vehicles or parts specifically. It should also be noted that this issue of *Sports Car* was printed right at the end of the war in Europe, before any postwar vehicles could be manufactured. This indicates the close association of Bugatti with motorsports by American enthusiasts, and furthermore that European motorsport was a key aspect of the early development and marketing of the European sports car.

Morris Garages – the company which would produce one of the first 'mass-market' European sports car, the MG Midget in 1928 – was significant for the way it approached motor racing. Both Bentley and Bugatti relied upon factory sponsored racing to provide advertising as well as test components under stress. Essentially the Bentley and Bugatti racing vehicles were owned by the company, and they both paid their drivers a fee to race their vehicles. MG too was initially involved in this style of European racing in the late 1920s and early 1930s, however its participation was "intermittent and patchy after 1935." This coincides with the sale of MG to Morris Motors Limited, and while acknowledging the importance of racing activities in the development and marketing of the sports car, Cecil Kimber, the manager of MG, also proclaimed, "with regard to racing, our policy has always been to let other people do this for us." Indeed after 1935 MG built no more racing cars, however it did keep its brand image associated with motorsport by sponsoring trials racing teams. Rather than own or develop the racing cars as a company, MG relied upon enthusiast teams, and sponsorship was limited to offering specialty parts or limited financial assistance to these teams. This development is significant, it would also be the

<sup>&</sup>lt;sup>45</sup> "Wanted" Sports Car Vol. 2 No. 3 (1945): 7. v.2 no.2-4 1945, SCCA 'Sportscar' Box 1, The Benson Ford Research Center, Dearborn, MI.

<sup>&</sup>lt;sup>46</sup> A.D. Clausager "The Specialty Car" in Nick Georgano, Nick Baldwin, Anders Clausager & Johnathan Wood, *Britain's Motor Industry: The First Hundred Years* (Somerset: G.T. Foulis & Company, 1995), 97.

<sup>&</sup>lt;sup>47</sup> Cecil Kimber quoted in A.D. Clausager "The Specialty Car" in Nick Georgano, Nick Baldwin, Anders Clausager & Johnathan Wood, *Britain's Motor Industry*, 98.

way in which MG sports cars were marketed to Americans. Due to the popularity of the MG among American consumers in the immediate postwar years many of them ended up competing on American tracks in amateur racing series and British brands such as MG (and Triumph) would use this as a marketing tool to introduce even more Americans to a European image of performance motoring. Essentially a British brand would 'sponsor' American drivers by offering them cars and parts at a discount, or allow these drivers to be the first customers offered a new model. This process will be explored in greater detail in the following chapter, "A British Invasion: The Sports Car Americans Loved First."

## 1.2 Taxation and European Engine Design

A second key factor which influenced the development of the sports car in Europe was the way in which vehicle registration taxes were calculated, particularly in France and Great Britain. In both countries, the taxes levied on vehicle purchase and registration penalized the production of larger and heavier vehicles by calculating the registration tax based on some measurement of engine size. Indeed, the effect of such methods of taxation were well-known by 1945, "Heavy horsepower taxation has encouraged the British production of small cars," a statement which was equally, if not even more-so true, of France.<sup>48</sup> However, in the British case specifically, the outcome was much more complex than simply a smaller, lighter car. In fact, the British method of calculating the registration tax influenced the very driving dynamics of the sports car by essentially mandating the 'under square' paradigm of engine design.

The key to understanding the significance of the British tax is that it was technically not calculated as a measurement of the size of the engine, but rather on its output horsepower.

<sup>&</sup>lt;sup>48</sup> "Enter the C.C. Tax" *The Austin Magazine*, February 1945, 196. Journals, British Motor Heritage Center, Gaydon.

Furthermore, output power was not actually measured, but rather derived by a complex mathematical formula that took variable aspects of engine design and treated them as constants. Specifically, it assumed, "a mean effective cylinder pressure of 90psi, a mechanical efficiency of 75%, and a mean piston speed of 1000ft/min."49 Engine displacement and output power are certainly related, however as the technology and engineering of internal combustion engines advanced the formula became less and less applicable. As a result, actual horsepower differed from taxable horsepower and the gap widened as time went on. By the late 1920s some British car models were named with a distinctive two-number moniker – like the 1927 Vauxhall 20/60 – the first number is the taxable horsepower, the second is the actual output power. These gaps were possible because the R.A.C. tax formula effectively ignored stroke, or the length of piston travel, in determining output power. Therefore, the simplest way to produce an engine with a low R.A.C. tax rating, but more actual output power was to build 'under square' engines, the technical term for an engine with a longer piston stroke than bore diameter. This has other effects on the engine's dynamics; an under-square engine tends to produce good torque at lower revolutions, however it does not like to spin at high revolutions which means that overall output horsepower figures are lower, and the engine feels less willing to rev. This also effects the overall driving dynamics of the total automobile, under square engines tend to feel most powerful in the low- to mid- rpm ranges, which coincidentally is where most engine operation takes place, albeit with felt power dropping off at higher rpms.

The tax was originally formulated in 1909 as a way to fund road development and improvement in Britain, however, in 1920 it served as a protector of the British automotive

<sup>49</sup> "The RAC HP Rating" *Cornwall Austin Seven Club*, Accessed 12/12/2017 from www.austin7.org/Other Articles/RAC HP Rating/#1. See also Richard Hodgson, "The RAC HP (Horsepower) Rating – Was There Any Technical Basis," from www.wolfhound.org.uk.

industry. While not insubstantial in its first iteration the teeth of the British horsepower tax, or 'R.A.C. Tax' as it was referred to by contemporaries, were sharpened in 1920 when the rates were fixed proportionally at £1 per horsepower. The increase came at a significant point for the British automotive industry. By 1920 the American Model T was not only one of the cheapest passenger vehicles for sale in Britain, but it was also the most versatile; a myriad of bodies could be fitted to the T chassis allowing it to become a truck, or a delivery van, or a passenger car, etc. Seen in this light, the T's utility, quantity (through mass production), and price seemingly represented a threat to the British automotive industry. However, the Model T had been designed with American consumers in mind, American consumers who paid no horsepower or displacement taxes. Therefore, the engine had not been designed to take advantage of the antiquated R.A.C. calculations and, "the Model T Ford, rated at 22.5 h.p. under the RAC formula... [paid] £23 (the same for a Roll Royce Phantom which was several times more expensive) adding roughly 10 per cent to its 1921 price. In this way, apparently by historical accident, British cars received an advantage over American imports."50 It seems curious that economic historian Roy Church is willing to chalk what was essentially a protective tariff on American imports, and specifically the Model T up to a happy coincidence. Rather, it is far more likely that the change in the R.A.C. tax in 1920 was specifically designed with economic protectionism in mind, a point which the scholarly debate as to its effectiveness seems to substantiate.<sup>51</sup> Regardless, the horsepower tax essentially created the paradigm of British engine design in the 1920s.

<sup>&</sup>lt;sup>50</sup> Roy A. Church, *The Rise and Decline of the British Motor Industry*, New Studies in Economic and Social History No. 24 (Cambridge: Cambridge University Press, 1995), 17.

<sup>&</sup>lt;sup>51</sup> Susan Bowden, "Demand and Supply Constraints in the Interwar UK Car Industry: Did the Manufacturers Get It Right?", *Business History*, #33 (April 1991): 242-267 see also M.A. Riley, B.A. Lilleker, & N.P. Tuckett, *The English Model T Ford: A Century of the Model T in Britain* (West Yorkshire: The Model T Register of Great Britain Ltd., 2008).

The effects of the R.A.C. tax can be clearly seen in the design of the Bentley 3-Liter engine, and thus the Bentley sports cars. Immediately after the First World War Bentley decided to make his own car and he was primarily interested in designing a high-quality sporting vehicle capable of reliably sustaining high speeds over long distances. Notably, this is a key portion of the formula for the British postwar sports car. To accomplish this goal W.O. Bentley designed a new fourcylinder engine of large displacement (3-Liter), bucking a growing continental trend for smaller engines and setting the Bentley apart from its competition. In keeping with his experience in large, slow-turning aeronautical engines and the influence of the R.A.C. tax structure the 3-Liter engine was incredibly under square. While the R.A.C. rated the 3-Liter at 15.9 tax horsepower – less than the 1921 Model T – its real output was much closer to 70 horsepower. Considering the purchase price of a Bentley in the early 1920s represented three to four years of an average British skilled worker's salary - incidentally, one of the first Bentley customers was wealthy enough to also purchase his own private island, Brownsea – the effect of R.A.C. taxation on the design of the 3-Liter powerplant is certainly open to dispute.<sup>52</sup> However, despite the probable fact that thoughts of registration tax rarely, if ever, entered the decision-making process of the average Bentley customer, the paradigm of under square engine design imposed by R.A.C. policies certainly effected the milieu in which the Bentley engine was designed. Therefore, the paradigm created by the R.A.C. tax predisposed the 3-Liter Bentley engine taking its final form as a severely under square engine.

France, due to its less restrictive and progressive tax on engine displacement rather than 'taxable horsepower,' turned out to be an ideal environment for the early development of the sports

<sup>&</sup>lt;sup>52</sup> Nicholas Foulkes, *The Bentley Era: The Fast and Furious Story of the Fabulous Bentley Boys* (London: Quadrille, 2006), 34-35.

car. Typical French sporting vehicles were smaller and lighter than comparable types from England or Germany, due in large part to this progressive tax on engine displacement as well as the taxes levied on fuel. These taxes kept trends in engine displacements low, under 1,100cc which was combined with a lack of a general speed limit outside urban areas.<sup>53</sup> Thus the Bugatti automobiles were much smaller and lighter than most sporting or racing class automobiles of the period, and demonstrated superior handling, or the, "ability to hang to the road at high speeds." 54 These early Bugatti vehicles display two of the key qualities that will come to define the European sports car: a small, light-weight vehicle powered by a correspondingly tiny engine (relative to American automobiles), which praises handling over outright power and acceleration. As noted in review originally published in *The Motor*, an English enthusiast periodical, "unlike our own manufacturers [in England], he [Bugatti] never made a four-cylinder engine larger than 1,500cc and has never sold a six at all."55 European racing of the late 1920s demanded an increase in power, therefore Bugatti began building inline, 8-cylinder engines of between 2.5 to 4 liters to provide it. Again, demonstrating the importance of European motorsport on the design of the sports car, these new engines were based on the international Grand Prix rules of 1921.<sup>56</sup> However, it is the light four-cylinder 'pre-sport' cars intended for road use, and thus subject to the registration tax, rather than the strictly racing cars that Bugatti is most fondly remembered and thus the models which are most coveted by enthusiasts.<sup>57</sup>

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<sup>&</sup>lt;sup>53</sup> G.N. Georgano, A History of Sports Cars, 91-103.

<sup>&</sup>lt;sup>54</sup> Ken W. Purdy, Kings of the Road, 9.

<sup>&</sup>lt;sup>55</sup> "In Their Day: No. 113. – The Type 49 Bugatti" *The Motor* May (1945): 233, reprinted in full in "In Their Day: No. 113. – The Type 49 Bugatti" *Sports Car* Vol. 2 No. 3 (1945): 5. v.2 no.2-4 1945, SCCA 'Sportscar' Box 1, The Benson Ford Research Center, Dearborn, MI.

<sup>&</sup>lt;sup>56</sup> Ibid.

<sup>&</sup>lt;sup>57</sup> See, for instance, the length through which an American enthusiast goes to purchase and restore one such Bugatti in Russ Sceli, "How to Acquire a Sports Car," *Sports Car* Vol. 5 No. 2 (1948): 12-15. v.5 no.1-3 1948 SCCA 'Sportscar' Box 1, The Benson Ford Research Center, Dearborn, MI.

#### 1.3 The Development of Enthusiast Culture

The Bugatti sports car was indirectly responsible for fomenting another key development of European sports car culture, the single-marque sports car club. The Bugatti vehicle inspired such enthusiasm from its owners that on March 4th, 1930, the Bugatti Owners Club (BOC) was founded, one of the first of its kind, "with the three-fold object of racing, distributing the latest information on the Bugatti firm and collecting designs and photographs of all the Bugatti models."58 The club also produced the quarterly journal, Bugantics, which kept contemporary readers abreast of developments at the factory, and facilitated the sale of parts and Bugatti automobiles through advertisements placed by club members. Ettore Bugatti himself encouraged BOC club activities by offering the Challenge Trophy in 1931 to the BOC competitor who gained the highest number of points in club racing events during the year and in 1939 by donating a new Type 51 Grand Sports 2.3 Liter sports car to the club for those members who wanted to race, but didn't own a Bugatti.<sup>59</sup> In 1937 the BOC purchased the Prescott House estate, a large piece of land roughly ninety miles from London, in order to facilitate its own racing activities. While owning land and a track is a trait that would not be typical of sports car clubs in postwar America, the organization of club motorsports events would be a crucial aspect of the American enthusiast car club. Furthermore, these types of events, when adopted by American enthusiast clubs, serve as a demonstration of the transportation of a European enthusiast culture to American consumers while at the same time furthering that same transportation of culture.

<sup>&</sup>lt;sup>58</sup> L'Ebé Bugatti, *The Bugatti Story*, trans. Len Ortzen, 161. Interestingly, the 1930s seem to be the period in which the single-marque car club establishes itself, beginning in England. The Bentley Drivers Club is founded in 1936 in Surrey, England. See "Clubs and Associations," *Bentley Motors*, from https://www.bentleymotors.com/en/world-of-bentley/ownership/clubs-and-associations/clubs-and-associations.html.

<sup>&</sup>lt;sup>59</sup> L'Ebé Bugatti, *The Bugatti Story*, trans. Len Ortzen, 163.

Indeed, the 1930s is significant for the further development of a European automotive culture which would find its locus in the enthusiast clubs which sprang up in an increasing number of locations within Europe. During this decade sports car ownership expanded dramatically, fostered by the increasing accessibility of 'sporting' vehicles like the M-Type Midget. Following the increase in sports car ownership there was also an expansion of European car clubs such as the Bristol Motor Club in England. As membership in these clubs rose more amateur motorsports events were organized, in the case of Britain under the auspices of the Royal Automobile Club (RAC). In the interwar period the Bristol Motor Club, "built no less than three hill climb venues, the best known of which was Blackwell near Bristol..."60 The importance of motorsport in the form of amateur racing was going to be one of the hallmarks of an interwar European automotive culture, and the hillclimb serves as a stereotypically British example. The British hillclimb is a short race, run on an uphill course where competitors compete individually to complete the course with the quickest time possible. The building of the BOC racecourse at Prescott Estate in 1937, discussed earlier, is a further example of the expansion of amateur club racing activities within Europe.

Club racing activities were of course curtailed by the war due to the shortage of quality fuel, rubber, and metals, all key components for a racing automobile. In Britain, the Royal Automobile Club passed a resolution in 1940 which banned motorsports for the duration of the war. However, by October of 1945, only five months after the war officially ended, the Competition Committee of the RAC rescinded the ban and solicited "Clubs," – meaning the single marque clubs in addition to motorsports specific clubs – to "apply to the R.A.C. for the necessary

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<sup>&</sup>lt;sup>60</sup> Carlie Hart, "The Story of the Allen Trial" *Bristol Motor Club*. Accessed 10/01/2017 from https://bristolmc.org.uk/the-story-of-the-allen-trial/. Note: This article originally appeared in 1999 in *Restart*, the magazine of the Association of Classic Trials Clubs.

permit, and the [RAC] will help in every possible way to get motoring sport restarted."<sup>61</sup> While it is difficult to ascertain when exactly the first postwar amateur motorsports took place in Britain, by 1947 the British enthusiast clubs were beginning to get back together. The M.G. Car Club, an international club organized by owners predominantly in the UK (though there were 'active centres' in the US as well), restarted itself on January 1<sup>st</sup>, 1947 to, "foster the sport and pastime of motoring, to promote social events and further the interests of the M.G. owners."<sup>62</sup> The pace of recovery in Britain among enthusiasts was quite rapid, doubtlessly aided by the fact that their country was in much better shape than either France or Germany.

The emphasis on these clubs being European is intentional and serves to highlight the differences between Europe and America. while there were some American enthusiast clubs in the interwar period most focused entirely upon racing. The Sports Car Club of America is itself an outgrowth of the interwar Automobile Racing Club of America, and was not founded until late 1944 when, "seven car enthusiasts from Boston, Mass., met at the home of Chapin Wallour with the intent of forming a new club specifically for those with an interest in the new breed of automobile that many were calling 'sports cars.'" The comparatively late start of the SCCA was not, however, an indication of a lack of interest among Americans, within a year a second 'regional' chapter had been founded in Connecticut by Russ Sceli and the club began to rapidly expand in both scope and membership. As a brief example of the rapid growth in numbers, by the end of June 1945 club membership was such that Article III of the SCCA's constitution was reinstated, which "restricts membership to owners of sports cars... This action will raise the standard of cars

<sup>&</sup>lt;sup>61</sup> "Restarting Motor Sport" *The Austin Magazine*, October 1945, 30. Journals, British Motor Heritage Center, Gaydon.

<sup>&</sup>lt;sup>62</sup> "The M.G. Car Club" *News Exchange* Vol. 2 No. 1 (1947): 16. Journals, British Motor Heritage Center, Gaydon. <sup>63</sup> "70 years of the SCCA" *Racer* January 30<sup>th</sup> 2014, http://www.racer.com/scca-home/item/100859-special-70-years-of-the-scca?showall=1&limitstart=.

in the club to be in keeping with its name and principles."<sup>64</sup> By the end of 1946 the club had 102 members and 27 who, lacking a sports car of their own, were limited to just being subscribers of *Sports Car*.<sup>65</sup> By 1948, the club would move to sanction its first European style road race at Watkins Glen, New York, and in so doing demonstrating its Europeanizing influence as a conduit of European enthusiast culture.

# 1.4 The Effects of European Contingency

The creation of the European sports car was also dependent upon the contingencies of interwar Europe. The economic prosperity of the roaring twenties gave rise to early forms of the sports car, like the Bentley and Bugatti, were followed by the crash of 1929 and the lingering economic depression of the 1930s. The effects of the crash were multifaceted and long-lasting, influencing both the type of vehicle produced as well as the manner of its construction; the dominance of bespoke, hand crafted cars like the Bugatti and Bentley gave way to the mass-produced (at least in European terms) MG Midget, commoditizing the sports car. Lastly, the coming of a Second World War in 1939 profoundly affected European automakers, none more-so than Bugatti. A marque which had been at the cutting edge of sports car development, and had succeeded in capturing the imagination of American enthusiasts was essentially destroyed by the war.

One of the factors which had enhanced the Bugatti's image among both European and American enthusiasts was that the car was not mass produced, rather all Bugatti automobiles were built by a small number of highly skilled craftsmen and only a few complete vehicles were built

<sup>&</sup>lt;sup>64</sup> "Eligibility-Subscriptions" *Sports Car* Vol. 2 No. 4 (1945): 8. v.2 no.2-4 1945, SCCA 'Sportscar' Box 1, The Benson Ford Research Center, Dearborn, MI.

<sup>&</sup>lt;sup>65</sup> George F. Boardman, "Membership Report for 1946" *Sports Car* Vol. 3 No. 1 (1947): 3. v.2 no.2-4 1945, SCCA 'Sportscar' Box 1, The Benson Ford Research Center, Dearborn, MI.

each year. In the preface to Ettore Bugatti's biography, Louis Armand, an engineer who trained with Ettore, would write, "Bugatti maintained and vindicated the rule that quality production depended upon a small number of skilled workers and a small output."66 Importantly, this assertion came at a time when the dominance of mass production in the automotive industry was clearly on the horizon. The Ford Model T, the first examples of which rolled off the production line in 1908, ushered in a new era in automotive production which praised sheer quantity and economics of scale over individual hand crafting. The movement towards mass production would even bear his name; 'Fordism' swept across the United States and Europe, upsetting entire industries and social orders. <sup>67</sup> However, the 1920s were still early days for mass production and Bugatti was particularly opposed to this new system of industrial organization. Akin to works of art, "...cars were handbuilt for the most part, each an expression of a creator's personality," as L'Ebé Bugatti, Ettore's daughter would note in his father's biography, "But probably none was as concerned as Bugatti to perpetuate this situation."68 The downside of this manner of production is that it was costly, and thus early sports cars were out of reach for most of the rapidly expanding motoring public. However vehement the response of automotive enthusiast then or since to mass production, there can be no doubt that it served to open automobile ownership to a much broader segment of the population both in Europe and America. While the association of the sports car with artisanal production methods is one that would certainly continue in the immediate postwar years – partly

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<sup>&</sup>lt;sup>66</sup> Louis Armand, in Preface to L'Ebé Bugatti trans. Len Ortzen, *The Bugatti Story* (Philadelphia: Chilton Book Company, 1967), x.

<sup>&</sup>lt;sup>67</sup> Douglas Brinkley, Wheels for the World: Henry Ford, His Company, and a Century of Progress (New York: Penguin Group, 2003), 135. An examination of the British motor industry grappling with Fordism can be seen in Nick Baldwin, "Moves Toward Mass Production" in the edited volume Nick Georgano, Nick Baldwin, Anders Clausager & Johnathan Wood, Britain's Motor Industry: The First Hundred Years (Somerset: G.T. Foulis & Company, 1995), 60-78; Wayne Lewchuck, American Technology and the British Vehicle Industry (Cambridge: Cambridge University Press, 1988). For an academic case study of Fordism and its impact in Europe, although more specifically Germany, see Mary Nolan, Visions of Modernity: American Business and the Modernization of Germany (Oxford: Oxford University Press, 1994).

<sup>&</sup>lt;sup>68</sup> L'Ebé Bugatti, *The Bugatti Story*, trans. Len Ortzen, 50-51.

due to the circumstances of an industrially devastated Europe – industrialized production, even if in small batches, would make the postwar sportscar available to the bourgeoning American middle classes in a way that sports cars of the 1920s and 1930s simply were not.

The American fascination with the interwar Bugatti sports cars is reflected in the enthusiast literature of the immediate postwar period. Ken Purdy, automotive enthusiast and author chose to open his work, Kings of the Road, itself an ode to the interwar European sports car originally published in 1949, with a chapter dedicated to the Bugatti cars – this is of course after a brief chapter, titled "What Did We Lose?", a romantic lament on the lacking state of the massproduction based American automobile industry for automotive enthusiasts. 69 Based on the prevalence of material on the prewar Bugatti sports cars in American enthusiast publications, it is clear that they played a role in exposing American automotive enthusiasts to European standards and styles of performance vehicles. This is nowhere more apparent than in Russ Sceli's frequent contributions to early editions of *Sports Car* in which he captures in witty and amusing prose the emotional connection he feels to sports motoring and his Bugatti. Notably, the Bugatti always breaks down in some way, and, usually, a piece of "Detroit Iron" – a somewhat derogatory term for an American car – comes to the rescue, yet it is clear that the emotional attachment to the Bugatti only grows stronger. At the end of one of these Bugatti parables, Sceli closes with the observation that all the adventures he has had due to Bugatti ownership, "are the things that make life worthwhile." While Sceli never overtly states that his emotional attachment to the car is due to its hand-assembled method of production, it is clear that the quirks which this production method usually leave in a vehicle (which are also the cause of its frequent failures) are what draws him to

<sup>&</sup>lt;sup>69</sup> Ken W. Purdy, *Kings of the Road*, 5-23. One should note that cited here is the 1963 reprint, and updates were clearly made to all chapters.

<sup>&</sup>lt;sup>70</sup> Russ Sceli, "A Pleasant Evening's Drive in a Bugatti," *Sports Car* Vol. 5 No. 4 (1948): 22. v.5 no.4-6 1948, SCCA 'Sportscar' Box 1, The Benson Ford Research Center, Dearborn, MI.

the car. It gives the car an intangible element that Sceli and Purdy both value as enthusiasts, one which American cars lack due in part to their mass-production.

Unfortunately, Bugatti's sports car and racing success in the interwar period would be interrupted by the outbreak of the Second World War. The Bugatti factory, located in the Alsatian town of Molsheim, near the city of Strasburg, was taken over by the Germans and turned into the Trippel Werk before being looted for machinery as the Germans retreated across the Rhine. At the end of the war the factory fell into the hands of the French government since Ettore was an Italian national. Litigation began in 1945, and it would take three years for the French government to reinstate Bugatti's claim to his land and factory. 71 Before the litigation process had concluded Ettore Bugatti died on August 21st, 1947, depriving France of one of its leading automotive designers and engineers. The man who had done more singlehandedly to bring French automobiles to the forefront of sporting and motor racing passed on before he could continue expanding his automotive legacy into the postwar period, a time when the market for sport cars expanded wildly. A testament to the importance of Ettore himself is that even after the reacquisition of the factory the Bugatti company was unable to survive in the postwar sellers' market. In 1952, a year when European automakers like MG, Jaguar, and Porsche were unable to produce enough sports cars to meet American demand, Bugatti quietly shut down the factory they had worked so diligently to reacquire and went out of business. It was a disappointing end for a marque which, despite very low production numbers, had done so much to shape European perceptions of what a sports car could be and was indirectly responsible for the development of a European automotive culture that would be transported to America in the postwar era.

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<sup>&</sup>lt;sup>71</sup> L'Ebé Bugatti, *The Bugatti Story*, trans. Len Ortzen, 143-152.

At the close of the 1920s, a high-water mark for the international renown of specialist car marques like Bugatti and Bentley punctuated by economic depression, another significant development took place: the low-price, mass-produced sports car derived from the standard family model. While vehicles like the Bugatti and Bentley were important developments in terms of technology, design, and in the establishment of a specific category of performance vehicles, they were out of reach for most consumers. British manufacturer Morris Garages (MG), managed at that time by Cecil Kimber, a British automotive engineer who provided the push for a sporting car, changed that dynamic when they introduced the M-Type Midget in 1928. It was a small two-seat body made of fabric and powered by a miniscule 847cc four-cylinder engine producing only twenty h.p. Georgano argues that the M-Type Midget was not a sports car, however "it was a remarkable value at £175... it had the sporty appearance that hundreds of young buyers wanted."<sup>72</sup> In this he does have a point, the actual performance of the M-Type Midget was nowhere near as potent as that of the Bugatti. However, the key significance of the M-Type Midget was that it was not a standalone design, rather it had the engine and chassis of the Morris Minor, a small family car from allied manufacturer Morris Motors Limited, with a light-weight and sporty looking body. By using existing parts to produce a new model MG kept the costs of production low, and expand its market beyond the wealthy.

This combination of sporting appeal, combined with a limited form of mass production marks the genesis of the modern sports car as a category of vehicle. This assertion is supported by the fact that more Midgets were sold, roughly 300, in the first year of its production than the total number of vehicles MG had produced prior.<sup>73</sup> While interwar sports cars like the Bentley and

<sup>&</sup>lt;sup>72</sup> G.N. Georgano, A History of Sports Cars, 87.

<sup>73</sup> Ibid.

Bugatti were highly influential in terms of the driving dynamic associated with 'sporty' driving, the MG Midget brought about the commoditization of the sports car: a vehicle with the outward appearance of being designed for performance – an image supported by light weight which therefore featured a good power-to-weight ratio and excellent handling – but one which was in fact derived from the family saloon. Sharing from the family car parts bin also meant that the MG was more reliable and more easily (and cheaply) repaired than the highly-strung high-performance cars like the Bentley and Bugatti, both of which required frequent maintenance. Furthermore, MG was lucky with the timing of the Midget's debut. The crash of 1929 closed many of the deep, aristocratic pocketbooks which had funded Bentley and Bugatti in the 1920s, while cheaper cars like the MG retained their appeal among a broader swath of European consumers.

The combination of sporting pretensions with even this modest form of mass production would certainly remove some of the intangible elements which had traditionally been associated with the sports car as a category of vehicle. As American sports car enthusiast and author Ken W. Purdy wistfully noted, "I have driven many other great cars of the period: Duesenbergs, Bentleys, Mercedes-Benz cars, but none have produced this sensation in me. They appear to be splendid machines, but they do not seem to be alive. The Bugatti does." While this is certainly a romantic hyperbole extended by an enamored enthusiast it does demonstrate the importance of the emotional aspect of sports car enthusiasm. An MG may well be a fine sports car, but for the ultra-purist the handmade, bespoke aspect of the vehicles production was just as important and contributed an intangible element which supplemented the vehicles' driving characteristics. As will be

<sup>&</sup>lt;sup>74</sup> A.D. Clausager "The Specialty Car" in Nick Georgano, Nick Baldwin, Anders Clausager & Johnathan Wood, *Britain's Motor Industry*, 97.

<sup>&</sup>lt;sup>75</sup> Ken W. Purdy, Kings of the Road, 23.

demonstrated in a later chapter, the German firm Porsche would gain a significant amount of advertising cachet from the fact that its postwar cars were still largely assembled by hand.

#### 1.5 The Divergent Path of Interwar American Automotive Development

While European manufacturers were using European forms of motorsport, such as the road race, to advertise and test their production vehicles, leading to the development of a class of vehicles known as sports cars, major American manufacturers like Ford and General Motors, were focused on the mass production of a limited number of general purpose models. <sup>76</sup> The American 'Big Three' (Ford, General Motors, and Chrysler) would largely ignore the sports car niche until the exploding popularity of the small British sports cars, like M.G., Austin, and Triumph reveal the size of this niche market in the late 1940s. However, there were small American manufacturers that were engaged in the small-batch production of specialty performance vehicles, the two most significant in terms of a sports car of sorts were Stutz Motor Company and Mercer. Both companies inadvertently fed a niche market, the small but expanding community of American automotive enthusiasts in the interwar period. However, despite the connotation of Stutz and Mercer models with motorsport by contemporary American owners, they were not sports cars in the European model. Rather these early American performance vehicles, known as speedsters, focused on the attainment of high top speed to the essential exclusion of all other driving dynamics. An example of this American model of performance is perhaps best demonstrated by the Packard Model 734 Speedster. The only Packard that, "could undoubtedly be called a sports car," according to Georgano, featured an 8-cylinder inline engine displacing 6.3 liters, developing 106 bhp, and

<sup>&</sup>lt;sup>76</sup> See Douglas Brinkley, *Wheels for the World: Henry Ford, His Company, and a Century of Progress* (New York: Penguin Group, 2003) and Ed Cray, *Chrome Colossus: General Motors and Its Times* (New York: McGraw-Hill, 1980).

was produced for only one year, 1929-1930.<sup>77</sup> Compared to the MG M-Type Midget, any of the Bugatti models of the same period, or even the Bentley 3-Liter, the differences are profound. The larger engine of the Packard produced significantly more power, but would have also been much heavier, which would have detrimental effects on the driving dynamics of the car. This demonstrates a different conception of performance which prevailed among American manufacturers and consumers of the period, speed and power vs. European agility.

Despite some success of American performance oriented cars, the overall situation of the sports car in America was deteriorated further by the lingering economic depression of the 1930s which cemented American cultural ideas about the automobile. Historian John Heitmann notes in The Automobile and American Life that as early as 1906 automotive pioneer Henry Ford determined that the American automotive market would be structured differently to Europe's due to the lack of rigid class stratifications; Ford's notion was that for Americans the automobile would become a necessary tool to increase one's social, economic, and physical mobility, rather than primarily a toy for the wealthy. <sup>78</sup> Therefore, the vehicle which would be best suited for Americans was one that was mechanically simple, cheap to mass-produce, and offered the most potential utility, essentially the opposite design philosophy from the sports car. As historian Douglas Brinkley argues in Wheels for the World, Henry Ford's notion about the American automotive market was not only correct, but also inexorably linked with mass-production, "Ford's scheme was based on a well-established formula: increased output allowed for lower prices, which accounted for the rise in sales... that combination also drove out competition."<sup>79</sup> General Motors and Chrysler followed a similar philosophy based on mass production, therefore. when competitive and

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<sup>&</sup>lt;sup>77</sup> G.N. Georgano, A History of Sports Cars, 150.

<sup>&</sup>lt;sup>78</sup> John Heitmann, *The Automobile and American Life* (Jefferson: McFarland & Company, 2009), 34.

<sup>&</sup>lt;sup>79</sup> Douglas Brinkley, Wheels for the World: Henry Ford, His Company, and a Century of Progress (New York: Penguin Group, 2003), 235.

economic pressure exerted by the 'Big Three' intensified as the American economy slumped, they effectively wiped out the American specialist vehicle industry through superior economies of scale.<sup>80</sup> The lack of any real competition in terms of performance specialty vehicles by the end of the 1930s would leave the American consumer largely unfamiliar with performance motoring, and the market fertile ground for the intrusion of the European sports car in the postwar period.

The close of the 1930s brought cataclysmic change to Europe in the form of another world war, resulting in the temporary halting of production of automobiles for private use. Therefore, it would largely be prewar sports models that initially caught the eyes of young, impressionable American GIs as the war ended. Interwar Bugatti sports and racing cars, among others such as the interwar Bentleys, MGs, and various other small marques, left on the roads and in the barns of Europe introduced young American GIs to the sports car, which would feel distinctly European. The sports car was, of course, a vehicle category which few would have had a chance to see or experience for themselves in the US, and the novelty of light, agile, and speedy performance machines would certainly appeal to the predominantly young American men. Indeed, the exposure to the European sports car in its native environment was one of the keys in the migration of the sports car and a European style motor sports and enthusiast culture to America following the Second World War. As Ken Purdy notes, "but the GIs who came back from Europe to report that there were other kinds of cars than American in the world, and that some of them, like the British MG, were a hell of a lot of fun to drive started, without knowing it, as big a revolution as the automobile industry had seen."81 This is an idea supported by American newspapers of the period which reported increasing engagement with European cars by American GIs, illustrated by this

<sup>&</sup>lt;sup>80</sup> Anders Clausager, "The Specialist Car" in Nick Georgano, Nick Baldwin, Anders Clausager & Johnathan Wood, *Britain's Motor Industry: The First Hundred Years* (Somerset: G.T. Foulis & Company, 1995), 79.

<sup>81</sup> Ken W. Purdy, Kings of the Road, 3.

excerpt from a 1956 Barron's National Business and Financial Weekly article, "Another source of converts to the foreign-car idea is the American army divisions still stationed in Europe. If a GI buys a car overseas, he generally will keep it for use in the States when his tour of duty is complete."82 The importance of overseas service in the spread of the sports car cannot be understated, due to the divergent development of the automobile industry in the United States along the Fordist model, a small, lightweight performance-oriented vehicle designed for road use would have been a novelty to Americans.

An infamous example of this was the purchase of one of the rarest sports cars in the world, a Bugatti Type 57SC by Robert Oliver, at the time a Private in the U.S. Army Medical Corps. Oliver maintained close ties with what would become in 1945 the Sports Car Club of America, and his purchase was featured in "The Cutout" section of the March-April 1945 issue of their bimonthly newsletter, Sports Car. The brief paragraph was direct, and made clear Oliver's plans for the vehicle, "The car is now being thoroughly overhauled by Louis Giron in England... With its maximum of 135 m.p.h., it will be one of the fastest, if not the fastest sports cars in this country, when it finally is shipped to California."83 While unfortunately the impressions of Mr. Oliver regarding his Bugatti at the time are unavailable, we do see the acquisition of his European sports car have other consequences. He was enticed to join the Bugatti Owners Club, which was of course based in England, and through this we see one of the ways in which the purchase of the European sports car promoted the creation of a transnational network of automotive enthusiasts. This connection prompted the BOC to send over "several years of back issues of BUGANTICS, the

<sup>82</sup> Brad Henderson, "Foreign Autos: They Are Stepping Up Their Drive for the US Market" Barron's National Business and Financial Weekly 27th February 1956. Accessed 11/20/2017 from https://search-proquest-com.ezproxy.lib.purdue.edu/docview/350480923?accountid=13360.

<sup>83 &</sup>quot;The Cutout" Sports Car Vol. 2 No. 2 (1945): 10. v.2 no.2-4 1945, SCCA 'Sportscar' Box 1, The Benson Ford Research Center, Dearborn, MI.

excellent bi-monthly publication of that very active British car club."<sup>84</sup> These connections clearly fostered an exchange of information which, given the roots of the sports car in a distinctly European automotive culture, contributed a globalizing influence on American enthusiasts who had previously been insulated from European automotive developments. It should also be noted that this was not limited to Americans joining established European organizations either, the SCCA has its own European member, then Captain T.A.S.O. Mathieson, a wealthy Scottish enthusiast and amateur racing driver of international renown.<sup>85</sup> This illustrates the complexity of the web of transnational contacts which were fostered by the sports car, an essential part of the globalization of America brought about through contact with at least one of its products.

## 1.6 Cold War Military Service as a Conduit for the European Sports Car

American contact with European sports cars in Europe should not be thought of as just occurring in the late 1940s and ending with mass demobilization between 1945 and 1946. For many American servicemen victory in Europe brought a single overpowering desire: to get back to the US and out of the military as quickly as possible, and in this charged atmosphere it is hard to imagine American servicemen seeking engagement with European motor vehicles. <sup>86</sup> Victory, however, would not lead to the complete exodus of American military personnel. The need to stabilize a war-torn Germany coupled with rapidly destabilizing relations with the Soviet Union led to the American occupation of large swaths of German territory, and the creation in 1949 of the North Atlantic Treaty Organization, establishing a framework for permanent U.S. forces stationed in Europe. These twin developments would keep a steady flow of young American men

<sup>&</sup>lt;sup>84</sup> "Bugatti Owners Club" *Sports Car* Vol. 2 No. 4 (1945): 7. v.2 no.2-4 1945, SCCA 'Sportscar' Box 1, The Benson Ford Research Center, Dearborn, MI.

<sup>85</sup> W. B., "TASO Mathieson" Motor Sport January 1992, 55.

<sup>&</sup>lt;sup>86</sup> Owen Gault, "OPERATION Magic Carpet." Sea Classics 38, no. 9 (2005): 58-63.

to and from Europe, especially to bases in England and the Allied occupation zones of Germany. This would put young American men with steady paychecks (and little parental or matrimonial oversight) in a perfect place to experience European enthusiast culture and modern postwar sports cars as they came off European production lines in ever growing quantities. It would be during this type of military service that most Americans would really get an opportunity to immerse themselves within a European enthusiast culture and bring those attitudes (and perhaps cars) back to the US with them. Indeed, one enthusiast's relationship with the sports car was defined as, "... a love affair that began in Germany in 1952... his first Porsche, a 1300 Coupe, was purchased right there in Germany... while he was with the Army. This Coupe, which Tom drove over 200,000km is still running somewhere in Minnesota."87 For Tom Countryman, the enthusiast described above, his infatuation with a European standard of performance began when he first saw a sports car, in this case a Porsche, on the German Autobahn passing him again and again. Clearly Countryman also enjoyed the handling qualities of the Porsche, he would go on to enter it in numerous club racing events in the US, for example, "ice races... [road racing] Nationals at Elkhart Lake, and airport races such as those 2 at Iowa City."88 Despite the cost of shipping, Countryman not only brought the Porsche back to the US with him, but then sought out places where he could drive it as he had in Germany. The process illustrated here is quite clear, exposure to the European sports car in its native environment contributed to the transfer of elements of a European enthusiast culture through the purchase and use of the sports car itself, even in America.

A perhaps more perfect example of Americans meeting the sports car for the first time in Europe as a result of military service is illustrated by Tom Herren, a US Army Captain who

<sup>&</sup>lt;sup>87</sup> Elanor Edwards, "Tom Countryman combines Porsches and Photography" *Porsche Panorama* Vol. 8 No. 1 (1963):

<sup>11.</sup> Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

<sup>88</sup> Ibid.

graduated from West Point in 1955, a decade after the Second World War ended. Herren spent a Cold War deployment in West Germany and began his connection with the European sports car:

Tom's association with sports cars began while he was stationed in Germany His first one was a [Triumph] TR3 that lasted about 2 years. In his words, '... its downfall was due to my participation in the Scuderia Hanseat drivers school on the Nurburgring during Sept. 1959...' He purchased his first Porsche, a Super coupe, and entered the Norisringrenne, held in Nurnenburg, July 1960, and placed 2<sup>nd</sup> from last! Returning to the States in 1960, he joined PCA and SCCA and drove his first race with the coupe in Savannah, placing 2<sup>nd</sup> in class.<sup>89</sup>

Herren's experience in Germany, while perhaps not entirely typical, is illustrative of the deep impact that experiencing the sports car in Europe could have. It began at the entry level with a British sports car, likely due to the vehicle's relative affordability and sporty image, then graduated to the more intensely performance oriented German Porsche after a firsthand immersion in European motorsport. Not only did he bring one back with him, but he also brought back a desire to participate in European-style amateur racing, as well as joining two enthusiast clubs. One can clearly see that overseas military service created the opportunity through which Tom Herren was able to experience the European sports car in its native environment. Furthermore, Herren's case demonstrates the transfer of a European automotive motorsport culture, through the car, to America when he involves himself in European style motorsport in America upon his return.

While both Toms, Herren and Countryman, provided illustrative examples, they were far from being the only US servicemen to return with a European sports car. Don Wester offers another example of the importance of military service as a vehicle to meet the European sports car in its native environment. A native of Illinois Don explored an early interest in mechanics through the

<sup>&</sup>lt;sup>89</sup> "Tom Herren concentrates on weapons, driver safety, racing" *Porsche Panorama* Vol. 7 No. 3 (1962): 21. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

rebuilding of a Ford Model when he was 14, and later the restoration of a 1939 Ford Coupe at age 16. After attending college for engineering in California he joined the Air Force in 1950 and while stationed at Brooks Air Force Base in Texas he, "helped to organize drag racing in conjunction with the San Antonio Police Department." 90 Clearly then Don Wester was one who had a long interest in automobiles and at least American style motorsport. However, it wouldn't be until he shipped to Germany that, "As time went on new words and phrases began appearing in Don's letters. Words like sports cars, Stuttgart and Porsche. In 1954 Don bought a Porsche Super 1500 coupe."91 The Porsche served as Don's introduction to the wider enthusiast community, and in 1958 he traded his Porsche Super for the higher performance Porsche Carrera 1500 Speedster and became involved in amateur racing in the mid-west as well as helping to form the Michigan Region of the Porsche Club of America. However, Don's involvement with European sports cars doesn't stop there, in late 1958 he moved to Monterey, California and opened a service shop for Porsches and VWs and got involved in the California amateur racing scene. By October of 1960, Don (and his brother, Jim), "became the authorized Porsche and Volkswagen dealer for the Monterey Peninsula." 92 Since this article was published in the PCA's national magazine Sports Car a short paragraph was included to assuage any doubts about his brother's suitability for such a position, "Brother Jim is a real Porsche man, having bought a 1600 Super Coupe in Germany while in the U.S. Army several years ago..." and it goes on to detail some minor amateur racing accomplishments. 93 Through this one can also see some of the more negative aspects of the cultural transmission of the European sports car, namely the feeling of belonging which fostered a certain

<sup>&</sup>lt;sup>90</sup> "Young Man With a One-Track Mind" *Porsche Panorama* Vol. 6 No. 7 (1961): 8. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

<sup>91</sup> Ibid.

<sup>92</sup> Ibid.

<sup>93</sup> Ibid.

sense of snobbishness if not outright animosity towards outsiders. It is necessary to reinforce that Jim is not just a shady salesman, or simply riding the coattails of his brother's enthusiasm for the European sports cars. Instead he is carefully presented as one of the insiders; one who experienced the Porsche through his military service and is therefore somehow more qualified to sell the sports cars than one who had not had these experiences.

For Don Wester, experiencing a European sports car while attached to the U.S. military in Germany not only influenced his interests as an enthusiast – from his original interest in the American motorsport of drag racing to European-style motorsports including hill climbs and road racing – but also formed the basis of his livelihood. Through the experience of Don Wester one can see just how large of an impact the sports car could have on an American enthusiast, especially on a man who was already interested in automobiles. Clearly, the sports car served to transfer a European automotive enthusiast culture to Don, who would remain immersed in amateur racing, at least for the rest of the 1960s, all while holding the hope that, "he may some-day be invited to drive with the [Porsche] Factory team at Sebring and the Nürburgring." Despite being steeped in American amateur racing both in the mid-west and in the thriving California enthusiast scene, the allure of racing in Europe still reigned supreme. This is illustrative of the fact that for many American enthusiasts Europe, and European tracks, would shine as a beacon of sports car authenticity, the birthplace of the motorsport and enthusiast culture Americans were imitating in the US.

The process of American servicemen being exposed to the European sports car was also one that, at least in the case of the British manufacturers, was overtly aided by government policy. Through an agreement between the British automotive manufacturers and the British government,

94 Ibid.

which will be discussed in greater detail in the following chapter, MG sports cars appeared in the Post Exchange of American military bases in England. S As a jubilant article in *News Exchange*, an official publication of the export arm of the Nuffield Organization, the umbrella corporation which controlled several British automotive marques including MG, proudly proclaimed, "Within six weeks of the scheme by which American servicemen in Great Britain can purchase M.G.s through their Post Exchange... 150,000 dollars have been earned in this way by this popular sports car." These sales also included the provision that any car purchased under this scheme could not be re-sold in Great Britain; the export drive and subsequent shortage of cars for the British domestic market meant that there was a thriving black market for export cars which had been sold to servicemen in the UK. Therefore, many of the cars purchased under this scheme would find their way back to the US as their owners' deployments ended and, being unable (or unwilling) to sell them in the UK, were forced to take the cars with them.

It is also important to note that while some enthusiasts, or future enthusiasts, met the European sports car on its home turf during a European deployment, many others were introduced to the sports car in the United States. These encounters could be just as significant in terms of the spread of a European automotive culture, even without the experience of driving the car in Europe. One such enthusiast was Bruce R. Jennings, an avid amateur club racer who would go on to win the SCCA Class C Championship in 1960, who was introduced to European performance as a spectator at the sports car races at Andrews Field, Maryland. After being impressed by the performance of a Porsche 1500 coupe, "Bruce, due to his intense mechanical interest, bought a '55

<sup>&</sup>lt;sup>95</sup> R. W. Radford (Customs and Excise) Letter to Major J.L. Spellman (United Kingdom Exchange Service) 25<sup>th</sup> August 1949. 75A, BT 64/3019, The National Archives of the UK, Kew.

<sup>&</sup>lt;sup>96</sup> "M.G.s Sold at PX: American Forces Post Exchange Sells M.G. Midgets to Men Serving in Great Britain" *News Exchange*, 1950, 45. Journals, British Motor Heritage Center, Gaydon.

1500N Speedster to see what these Porsche's were all about." In 1957 he acquired a temporary competition license, and a higher performance Carrera engine for his Porsche. By 1958 Jennings was completely absorbed into the amateur racing scene, and after a crash destroyed his car, bought another Porsche from a retiring driver and continued in the series. In 1960 Jennings would win twenty-six regional and national races in his class, however despite his prowess, "I have no thoughts of turning pro. I would like to do some racing in Europe for the experience, mainly the Nürburgring. I'm SCCA and PCA all the way." For enthusiasts like Jennings, using the vehicle in European-style competition was the reason that he purchased his first Porsche, demonstrating very clearly the transfer of an automotive culture through vehicle, but also the importance of enthusiast organizations like the Sports Car Club of America and the Porsche Club of America acting as conduits to aid in the transfer of European enthusiast culture beyond simply the vehicle itself. Despite never having driven in Europe, the desire to do so is indicative of the way in which many American enthusiast-consumers looked toward Europe as a sort of metropole for racing and sports car development.

Lastly, there were those Americans who were introduced to the European sports car simply by seeing one in an American dealership. Phil Hill, an American professional racing driver who got his start in postwar amateur motorsport, was introduced to the European sports car through his purchase in November of 1947 of an MG TC from the Los Angeles distributor International Motors. Asked why he chose an MG in an interview in the Fall of 1960, he replied, "... it was the only thing that had any real attraction. It was the only *different* kind of automobile that was available." <sup>99</sup>

<sup>&</sup>lt;sup>97</sup> Charles D. Beidler Jr., "King Carrera and Friend" *Porsche Panorama* Vol. 6 No. 1 (1961): 4. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

<sup>&</sup>lt;sup>98</sup> Bruce Jennings, "The Champions Speak" *Porsche Panorama* Vol. 6 No. 1 (1961): 8. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

<sup>&</sup>lt;sup>99</sup> "How I Started Racing" Safety Fast Vol. 2 No. 9 (1960): 6-7. Journals, British Motor Heritage Center, Gaydon.

Phil had harbored an enthusiasm for automobiles, becoming a mechanic after dropping out of the University of Southern California, a prestigious engineering school, to become a mechanic, however he showed no real inclination towards racing until he owned the MG. By 1949 he was racing in professional series in Los Angeles, and would go on to race as a factory driver for Ferrari in European Grand Prix. Perhaps Hill was swayed by the advertising which began to appear in the Southern California region, such as a billboard on Wilshire Boulevard, one of the major roads in Los Angeles, which proclaimed "Driving is fun again," and featured an artist's rendering of a prewar American sporting car, the Stutz Bearcat, with a superimposed rendering of an MG TC. This billboard is interesting in that we see the attempt to make the very different and European MG appear to be part of an American sports car tradition, while testimony from American enthusiasts like Hill demonstrate that for American consumers one of the main selling points of the sports car was its difference and novelty, both in design and in driving experience.

This chapter has traced the significant developments leading to the creation of the modern European sports car, as well as situating that development within the framework of European motorsport and legislation. It has also explored the formation of the single-marque automotive enthusiast club, another development situated within Europe, demonstrating that both the sports car and the particular style of motorsport and enthusiast culture have their origins in a European automotive and cultural milieu. This establishes the basis for one of the central arguments of this dissertation: that the sports car was a development of European design and production ethos and therefore transported these attributes to the Americans who consumed them. This is then supported by an examination of how American enthusiasts became increasingly aware of European sports

<sup>&</sup>lt;sup>100</sup> A photograph courtesy of the *San Francisco Chronicle* featured in "Driving is Fun: The M.G. Thrills American Sports Fans" *News Exchange*, 1949, 86. Journals, British Motor Heritage Center, Gaydon.

cars following the Second World War, in some cases due to their service abroad, and transported not only the vehicles back to the US, but also elements of European enthusiast culture such as involvement in amateur racing in European-style motorsport as well as active participation in enthusiast clubs.

### CHAPTER 2. A BRITISH INVASION

The end of the Second World War brought with it the first coordinated exportation of the European sports car to American consumers. The process was driven not only by the sales efforts of the manufacturers and American distributors themselves, but also by multiple levels of the British government. In fact, active participation of the British Foreign Office, Board of Trade, as well as Customs and Excise in export promotion was crucial as most, if not all, British automakers wanted to concentrate primarily on the 'home market' of Britain. This was due to the British government's motor vehicle taxation policies, often called the 'horsepower tax.' The horsepower tax, discussed in the preceding chapter, established a paradigm of under square engine design and meant that British vehicles were underpowered compared to their American counterparts. Due to the nature of immediate postwar automotive production in which prewar designs were simply put back into production to satisfy immediate demand, British automakers were concerned that their designs would not sell well overseas and were unwilling to take the cost burden of designing and producing a vehicle for the export market only. This reluctance meant that well into the 1960s, British sports cars would have distinct driving dynamics due to their optimization for the British home market. This in turn aided in the transport of a distinctly British automotive driving experience and associated culture to the Americans who consumed them.

This chapter examines the intersection of international economic pressure, domestic legislation, the British sports car, and their American consumers, to shed light on the British attempt to regain economic power in an era dominated by American economic strength. I argue that this process led to a form of cultural globalization and was driven, in part, by the British government's two-pronged effort to expand industrial exports, especially automobiles. The first

prong was to compel manufacturers to establish an export program through policies of 'Export or Die' and the control over rationed raw materials such as steel and rubber. The second prong was to alter tax structures to aid in actual sales of export cars, with particular attention paid to American servicemen stationed at American military bases in the United Kingdom. Therefore, this chapter initially traces the economic and political forces behind Great Britain's policies of 'Export or Die' and increasing exports of British sports cars to America. Next it examines the British governmental effort to aid the actual sales of British automobiles. This came in the form of changes to two significant automotive tax programs. First, the horsepower tax was replaced in 1946 with a displacement tax, and only a few years later significant purchase tax concessions were made to be able to sell British cars to visiting Americans, especially American servicemen. In its third section, the chapter examines the culture which British sports cars bring with them and its adoption by American consumers. European enthusiast culture, complete with factory support for singlemarque driver's clubs and amateur motorsport events, aids in the dramatic expansion of sports car sales in the American market. Finally, this chapter examines the ways in which the idea of 'Europe' and 'European' were used to increase sports car sales. Contemporary American enthusiasts in the 1950s and early 1960s viewed 'Europe' (including Britain) as a sort of metropole for sports cars and a culture of amateur racing. The idea of 'Europe' and the 'European' sports car were mobilized to increase the sales of sports cars, as well as American tourism through Britain.

By weaving these seemingly disparate threads together, this chapter demonstrates that not only did the British sports car bring elements of a European automotive culture to a rapidly expanding body of American enthusiasts, but that this process was aided and abetted by the British government as well as British automotive manufacturers. Yet this chapter also complicates a top-down narrative by demonstrating the importance of contingency. British export promotion efforts

were not aimed at aiding sales of sports cars, but rather of family cars, and the only reason why British sports cars were exported in the immediate postwar years was that those were the models which could most rapidly be put back into production with a minimum of raw materials. <sup>101</sup> After the startling successes of sports models in America more effort was taken to expand their sales, yet the focus of the government and many leading industrialists in the automotive industry remained on attempting to increase sales of mass-market British family sedans due to the fear that demand in the enthusiast market would soon be satiated. This failure to stay competitive within the sports car niche moving from the 1950s into the 1960s meant that by the early 1970s British sports cars were seen as increasingly irrelevant by American consumers. Declining sales left British automakers without the stable sales footing that they would have needed to survive the global economic turbulence of the 1970s and by the end of that decade all British manufacturers had simply abandoned the American market.

This work is not, however, another narrative of the decline of the British automotive industry which has captivated scholars of British economic, business, industrial, labor, and automotive history. For instance, historian Timothy Whisler notes in his monograph, *At the End of the Road*, "The UK was the leading exporter during the 1940s and early 1950s due to the world dollar shortage and prostrated Continental producers. Although Britain remained the second largest exporter behind Germany from the mid-1950s until the mid-60s, its percentage of the market steadily decreased." However, outside of Whisler's work many of the industrial, labor, and economic histories focus, much like contemporary industrialists and government officials, on the failure of the mass market sedans to gain any real acceptance in the American market and on

<sup>&</sup>lt;sup>101</sup> Timothy R. Whisler, *At the End of the Road: The Rise and Fall of Austin-Healy, MG, and Triumph Sports Cars*, Industrial Development and the Social Fabric 13. (Greenwich: JAI Press, 1995), 9.

<sup>&</sup>lt;sup>102</sup> Timothy R. Whisler, At the End of the Road, 3-4.

the labor disputes that plagued British factories. <sup>103</sup> William Maloney and Andrew McLaughlin argue along these lines in their work *The European Automobile Industry*; while British automakers enjoyed a considerable number of advantages in the postwar period such as the inheritance of government funded shadow factories and the decimation of European competition, "the industry was suffering from a number of serious inefficiencies. These included high costs, lack of rationalization of models and factories, antiquated working practices and under investment." <sup>104</sup> The narrative of inefficiency and management missteps works well as an approach to understand the decline of the British automotive industry in the mid-1970s. However, this teleologic approach casts a long shadow back to the early postwar period. Not much effort has been made in the realm of academic work to chart the incredible successes of the British automotive industry, especially their successes in the American market.

British success in exporting automobiles, even if only sports cars, complicates the traditional narrative of American economic and cultural hegemony in the postwar period by showing that America has never been as impermeable to foreign influence as traditional historiographies have argued. Historian Victoria de Grazia's work, *Irresistible Empire: America's Advance through 20<sup>th</sup>-Century Europe*, exemplifies this hegemonic, quasi-imperial interpretation of American economic and cultural power. For de Grazia, American economic hegemony is a model of "informal empire" or "Market Empire," despite the fact that this empire is committed to

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<sup>&</sup>lt;sup>103</sup> Jonathan Wood, Wheels of Misfortune: The Rise and Fall of the British Motor Industry (London: Sidgwick & Jackson, 1988); Roy A. Church, The Rise and Decline of the British Motor Industry (Cambridge: Cambridge University Press, 1994); Nick Georgano, Nick Baldwin, Anders Clausager & Johnathan Wood, Britain's Motor Industry: The First Hundred Years (Somerset: G.T. Foulis & Company, 1995); Timothy R. Whisler, The British Motor Industry 1945-1994: A Case Study in Industrial Decline (Oxford: Oxford University Press, 1999); Peter J.S. Dunnett, The Decline of the British Motor Industry: The Effects of Governmental Policy, 1945-1979 (New York: Routledge, 2011).

<sup>&</sup>lt;sup>104</sup> Andrew M. McLaughlin and William A. Maloney, *The European Automobile Industry: Multi-Level Governance, Policy and Politics*, Routledge Research in European Policy 9 (London: Routledge, 1999), 10.

the same free market policies it foists on Europe. 105 Historian and political scientist Andrew Bacevich argues in his monograph American Empire: The Realities and Consequences of U.S. Diplomacy that "America today is Rome, committed irreversibly to the maintenance and, where feasible, expansion of an empire that differs from every other empire in history." <sup>106</sup> Key to both variants of this argument is that American 'hegemony' is committed to economic openness through free market trading polices which paradoxically leaves the hegemon open to the same type of imported influences which these authors trace going from America to Europe. It is this very openness that British automakers exploit, with the significant help of the British government, to successfully open a niche in the American automotive market.

Furthermore, while the decline of the British automotive industry, beginning in the late 1960s and accelerating in the 1970s is historical fact, the narrative of decline ignores impact of the sales success of the British sports car on American enthusiast culture in the late 1940s through the 1960s. As Whistler argues in At the End of the Road, "Until now few have taken a holistic approach, where design and development, the resultant characteristics of the car, and the degree of market acceptance are given equal weight with production methods and industrial relations." However in this effort Whistler himself never moves beyond an industrial and economic analysis to interrogate the actual consumers of these products. I argue that, in fact, an even more holistic approach is required, one in which the consumers of the sports cars and the simply incredible amount of enthusiast material is also considered. That is especially true when it comes to the

<sup>&</sup>lt;sup>105</sup> Victoria de Grazia. Irresistible Empire: America's Advance through 20th-Century Europe (Cambridge: Harvard University Press, 2005), 6

<sup>&</sup>lt;sup>106</sup> Andrew J. Bacevich. American Empire: The Realities and Consequences of U.S. Diplomacy (Cambridge: Harvard University Press, 2002), 244. For more on America as an imperial power see also Frank Costigliola. An Awkward Dominion: American Political, Economic, and Cultural Relations with Europe, 1919-1933 (Ithica: Cornell University Press, 1984), Andrew J. Bacevich . The Imperial Tense: Prospects and Problems of American Empire (Chicago: Ivan R. Dee, 2003), and Niall Ferguson. Colossus: The Rise and Fall of the American Empire (London: Penguin, 2005). <sup>107</sup> Timothy R. Whisler, At the End of the Road, 9.

cultural significance of the British sports car to American enthusiast consumers and the ways in which British automotive imports helped shape the American automotive market. This is a facet of British automotive history which is obfuscated by the narrative of decline. In the teleologic, and at times myopic, effort to explain British industrial decline these studies hide the very real successes and cultural significance that specialty products, like the sports car, enjoyed in the American market. By examining the sales success and appeal of British sports cars the downcast narrative of decline can at least be complicated by the significant influence of the British sports car on the enthusiast culture of American consumers and the domestic automotive market.

## 2.1 'Export or Die': The Push for Automakers to Export

The British Automotive industry – one of the leading sectors of Britain's prewar industrial economy – was first requested, and later more forcibly compelled, to increase its export ratio to help bring hard currency dollars into British coffers. At the root of postwar British economic woes was the drain on dollar reserves caused by an inverted balance of trade. Having borrowed significantly to finance the war effort and needing to borrow still more to cover the transition to a peacetime economic footing, Great Britain was left in the unenviable position of having to ask for yet more financial aid. <sup>108</sup> The United States, under pressure from the British Embassy, extended a credit of 3.75 billion dollars in the Financial Agreement of 1945 and British ministers looked to the future with an optimism which was not entirely unfounded. Yet in very short time there were clear signs that the recovery was faltering, and that the drain on hard currency dollars – an artifact of the Bretton Woods financial agreements – continued to grow throughout 1946. By March of

<sup>&</sup>lt;sup>108</sup> Robert Skidelsky, *John Maynard Keynes 1883-1946: Economist. Philosopher. Statesman*, (New York: Penguin Books, 2005), 817-821, see also B. Tew, *The Evolution of the International Monetary System*, 1945-1985 (London: Hutchinson, 1985).

1947 the deficit had reached 200 million dollars per month, due largely to the required importation of foodstuffs from American markets. <sup>109</sup> Within a year's time, Britain was at risk of defaulting on the loan and therefore sought to dramatically expand its exports in dollar markets, primarily North America, in an attempt to achieve a more favorable balance of trade. Government intervention focused on the export of British automobiles to the United States, especially mass-produced family sedans. The predominant attitude was perhaps expressed best in the late 1930s by Cecil Kimber, the main managing executive of M.G., "In selling a specialty car it has always to be remembered that there is only a definite size market for it, and it is merely foolish to be unduly optimistic..." <sup>110</sup> Among British industries, especially the automotive industry, these combined policies became known as 'Export or Die,' and despite their emphasis on family sedan exports, they would ultimately function to help push the British sports cars across the Atlantic to enthusiastic American consumers.

Initially British automakers were not very receptive to the demand for increasing the export ratio. As Board of Trade documents circa 1945 reveal, British automakers resisted the initial soft push for more exports which came in the form of verbal requests at meetings of the Society of Motor Manufacturers and Traders (SMMT) and the President of the Board of Trade. The soft push approach was hampered by the exceedingly short tenure of Oliver Lyttelton as President (May to July of 1945), by issues of taxation, and by a general recalcitrance of both leading industrialists and the Board of Trade to put the potentially difficult export market ahead of an easily profitable home and imperial market. In response to the Board of Trade request for an export ratio of at least

<sup>&</sup>lt;sup>109</sup> Richard Wevill, *Britain and America After World War II: Bilateral Relations and the Beginnings of the Cold War* (London: I.B. Tauris & Co., 2012), 176.

<sup>&</sup>lt;sup>110</sup> Cecil Kimber quoted in A.D. Clausager "The Specialty Car" in Nick Georgano, Nick Baldwin, Anders Clausager & Johnathan Wood, *Britain's Motor Industry: The First Hundred Years* (Somerset: G.T. Foulis & Company, 1995), 98.

50% production, the British automotive industry responded that they foresaw a maximum of only 40% without changes in policies of taxation, specifically the 'horsepower tax.' Additionally, the automotive industry sought to make the export push a short-term consideration, wanting any concessions to include a return to 'normalcy' in the form of a 30% export ratio. Indeed, the motor industry was so unresponsive to the Board of Trade requests that Sir Charles Bruce-Gardner, the Chief Executive for Industrial Reconversion, lamented in June of 1945 that, "I am afraid I have never expected this approach to the motor industry would be very useful. All the ground has been gone over with them so many times already." His disillusion was warranted since by November the situation had changed little, as an internal Board of Trade note documents, "So far as the private car side of the industry is concerned, whilst a target of 50% has been set there have been no serious discussions with the industry as to how they are to achieve it... This state of affairs is in clear contrast with the position in the majority of the other engineering industries..."113 However, the Board of Trade was clearly determined to take an active role in shaping postwar British industrial policy, indicated by the note which closes with an ominous question of, "whether steps should be taken to enforce the 50% export percentage..."114 The pressure of the dollar crisis was already mounting, and that pressure would be passed down to Britain's leading industries.

The British automotive industry was particularly recalcitrant based on the high demand of the home and imperial markets and felt further secure in the knowledge that not much innovation or improvement on prewar models would be necessary to achieve a high volume of sales. This line

<sup>114</sup> Ibid.

<sup>&</sup>lt;sup>111</sup> Sir William Palmer, Minute Sheet, 14th June 1945. 2, BT 64/2898, The National Archives of the UK, Kew.

<sup>&</sup>lt;sup>112</sup> Sir Charles Bruce-Gardner, Minute Sheet, 12<sup>th</sup> June 1945. 1, BT 64/2898, The National Archives of the UK, Kew.

 $<sup>^{113}</sup>$  R.C. Bryant, "The Motor Vehicle Industry. Note by the Board of Trade" Internal Note,  $10^{th}$  November 1945, p. 1. BT 64/2898, The National Archives of the UK, Kew.

of thought is evidenced in more detail by the minutes of a Board of Trade meeting on the 23<sup>rd</sup> of September 1946, attended by leading members of the automotive industry:

The manufacturers were likely to advance three arguments in particular. They normally sell to export markets at a slight discount and to some extent subsidize their exports from their sales on the home market; their prices were high in relation to U.S. prices and in order to develop a better competitive position they wished to see the proportion of their home market sales beginning to approach what they would regard as its long term normal. Manufacturers were also a little afraid that this country might, through its international agreements, have to permit import of foreign cars here at a time when the home market was still very large. <sup>115</sup>

In this excerpt two significant facts are abundantly clear. First, the British automotive industry was far more focused, and would remain more focused, on the demands of the home market. Secondly, British automotive manufacturers understood that their products in the immediate postwar years were inferior to those of other industrial nations, but more specifically, to those of the United States. American mass-produced automobiles frightened British manufacturers who had neither the technology nor the raw materials to produce personal vehicles as quickly as American manufacturers like General Motors, Ford, or Chrysler could. Therefore, in 1946 British automakers feared that mass-produced American cars, which were cheaper and more powerful, would satiate pent-up postwar British demand before British industries had a chance to profit.

In the face of such recalcitrance the British government had two methods available to compel its industries to export. On one hand, using tariffs and export licensing, the Board of Trade could have mandated not only an export quota, but also heavily influenced the destination market. On the other hand, control could be passed through the Ministry of Supply, which controlled raw

<sup>&</sup>lt;sup>115</sup> M.M.(46) 82<sup>nd</sup> Meeting: President's Morning Meeting, 23<sup>rd</sup> September 1946, p. 1. BT 64/2898, The National Archives of the UK, Kew.

material allocations. Between these two methods The Board of Trade was quite reluctant to use traditional export incentives and controls, insisting instead that while, "It is not the intention of the Government to exports into different markets by an extension of export licensing or other controls," the onus of increasing exports must be borne by industrial leaders, a sentiment expressed as, "room for a conscious and deliberate effort on the part of manufacturers and exporters to take stock of the possibilities open to voluntary action."116 This message was repeated to the U.S. government, which British authorities wanted to keep appeared. Freedom of trade was a key ideological and diplomatic point which the United States sought to uphold, and therefore Great Britain could not risk alienating her closest ally even to alleviate her own economic distress. Therefore, British diplomats made sure to point out to their American counterparts that, "A system of comprehensive export licensing is clearly out of the question... we can, therefore, seek to influence exporter's choice of markets only by exhortation and by such indirect means as are open to the Government."<sup>117</sup> While the Board of Trade was able to exert some pressure on British automakers through negotiation, they would never exercise any real control, especially not over the product produced or the destination market.

Therefore, as British manufacturers began to design the first postwar models they focused entirely on the criteria and constraints of the home market, all the while resisting the push for exports. The considerable focus on the home market meant that the British sports cars that are initially exported or otherwise acquired by American consumers are identical to those sold in Great Britain. For instance, the MG TC, the first postwar production sports car to be exported to the US in large numbers, was right-hand drive only throughout its entire production. The driving dynamics

<sup>116</sup> "Annexe 'E'." BT 64/2898, The National Archives of the UK, Kew.

<sup>&</sup>lt;sup>117</sup> The British Embassy to the U.S. Department of State, Memorandum, 18<sup>th</sup> June 1947. Document 11, 841.51/6-1847, Foreign Relations of the United States 1947 Vol. III, The British Commonwealth; Europe.

of the vehicle, especially in power output would also remain unchanged from the original, designed for use in Britain. Power output from the long-stroke 4-cylinder XPAG engine was strong in low and mid-range torque, but only produced around 54 horsepower, and had a propensity to overheat in warmer climates like the American southwest. In terms of driving dynamics this made the car quick at lower speeds, and agile due to its light weight, conversely, early British sports cars like the MG TC would struggle to cruise long distances at American highway speeds. In many ways, the early MGs were entirely unsuited for American driving conditions, yet that did not deter the American enthusiasts who consumed them.

The Board of Trade's lackadaisical position on the issue was countered by the Ministry of Supply, which exercised control over the allocation of rationed raw material and had certainly used its authority to compel export production. Steel, a resource which was in critically short supply after the war provided the Ministry of Supply with its most powerful tool to exercise control over the British automotive industry. However, the Ministry of Supply's ham-fisted approach to export quotas and raw materials allocation sometimes frustrated British manufacturers attempts to increase production of certain models, like the sports car, and seemed to interfere with the export push compelled by the Board of Trade. This is illustrated by an intercompany memorandum from C.E. Aldridge, the general manager of Nuffield Exports (the exporting arm of MG), to Sir Miles Thomas, the Managing Director of Morris, in which he complained:

I started off by telling Mr. Welch [of the Board of Trade] that really we were anxious to help and as a result were putting forward this suggestion for a special M.G. programme for the U.S.A. only, if we could get the material, but that we could not afford to do that out of our existing material programme. I further pointed out to him that although they were asking us to cultivate hard currency markets, we

<sup>&</sup>lt;sup>118</sup> Jonathan Wood, "Export or Die" in Nick Georgano, Nick Baldwin, Anders Clausager & Johnathan Wood, *Britain's Motor Industry: The First Hundred Years* (Somerset: G.T. Foulis & Company, 1995), 107.

were doing our best in this respect but could not attempt to do so entirely at the expense of some of our best friends who might come under the category of soft currency, so far as the Board of Trade were concerned...<sup>119</sup>

The project in question is increased production of the MG TC sports car, which Nuffield Exports personnel noticed were selling quite well in the American market despite their deficiencies, a major one being that they were produced in right-hand drive only. However, increased steel allocations for a special version of the TC that would have been dedicated to the US market were not granted by the Ministry of Supply, rather they expected MG to use its existing steel allocations for export production. In essence, MG was trying to reserve it steel allocations for home market production, and get additional steel for exports to the United States in a clumsy maneuver to get around the constraints of the export drive. Ministry of Supply control over steel allocation frustrated British automakers, however it served as a way for the British Government and Board of Trade to more forcibly compel export production without resorting to methods which would arouse international animosities. This method appeared to have worked quite well, by July of 1947 British automakers had reluctantly agreed to an even more aggressive export program in which 60% of passenger vehicles would be designated for export markets. 120 However, while the Ministry of Supply could allocate steel resources to be used only for export production, they still could not control which export market goods were ultimately sold in.

The Ministry of Supply enforced export quota, led to a shortage of automobiles for the home market and saw many efforts by British citizens and companies to thwart export controls in order to get export quota vehicles delivered in Britain. While British automotive companies were only too happy to fulfil these orders, the position of the Ministry of Supply as the allocator of all

<sup>&</sup>lt;sup>119</sup> C.E. Aldridge, Memorandum to Sir Miles Thomas, D.F.C. 4<sup>th</sup> January 1947. Box 15, 80/20 "[2]- Peace-time Production", British Motor Heritage Center, Gaydon.

<sup>&</sup>lt;sup>120</sup> "More Cars for Export," Export Trader July-August 1947, 349. Journals, British Motor Heritage Center, Gaydon.

raw materials provided some automotive industry executives cause for concern. As Nuffield, the parent company of MG, reported to the Board of Trade in May 1948, "Lever Brothers have ordered a whole fleet of cars for delivery and use in the United Kingdom. Payment will be made in foreign currency by one of the overseas branches." Technically, the sales of these vehicles still gained the valuable foreign currencies, yet, "Nuffield's worry, however, is that since there are likely to be large numbers involved... it may soon be discovered that their export returns will differ materially from the official Trade and Navigation returns, with consequent reactions from the Ministry of Supply when it comes to deciding upon steel quotas based on export performance." <sup>121</sup> This is indicative not only of the power which the Ministry of Supply held over British automakers, but also the dysfunction between the Board of Trade and the Ministry of Supply. What emerges here is an interesting question, does export production necessarily mean that the product must leave the country as it appears the Ministry of Supply believes, or is the goal purely to earn hard dollar currencies as the Board of Trade seems to believe? While eventually it was conclusively decided that earning dollars was main goal, and that export quota sales within the UK territories for hard currencies were acceptable, one clearly sees the influence of the Ministry of Supply wielded in compelling production for actual export markets.

America was readily understood by both the British government and by British automotive industry leaders to be a top export market, both for its size and for the hard currency dollars it would generate. Even such small events as the shipping of five MG TC sports cars to America made trade magazine articles, albeit ones that were clearly designed to placate Board of Trade officials. As one such example reads, the shipment of these five sports cars, "gives further proof of the determination at Nuffield Exports Ltd. to ship their vehicles overseas in the quickest and

 $<sup>^{121}</sup>$  Golsby, Minute Sheet  $18^{th}$  May 1948. BT 64/3019, The National Archives of the UK, Kew.

most efficient manner possible."122 The small initial numbers and shaky distribution system were only temporary impediments due to the small number of available cars for export. As Reginald Hanks, the new Chief Executive of Morris Motors, indicated in a letter to Sir Miles Thomas, "Please do not take our present M.G. sales policy seriously. Collier Brothers are just enthusiastic amateurs, and we shall carry on with them only so long as we have such few cars to offer. I see they have had ten to date."123 However, despite the realization of the potential market which they uncovered, British automotive executives at M.G. moved conservatively. H.A. Ryder, a General Manager for M.G. recommended having a new M.G. T-series model ready to go into production sometime in 1947, but to wait until the "present 'TC' Midget shows signs of fading public interest." This hesitation to really engage with the American enthusiast market was an initial handicap, and was driven by the fear that the American enthusiast market would quickly be satiated with a small number of vehicles. There is also the sense that British manufacturers don't necessarily understand why the TC is selling as well as it is, and are waiting for the fading public interest to tell them what aspects of the design need updating. However, by the 1950s the importance and permanence of the American enthusiast market to British manufacturers would be made clear by a steady yearly increase in sales numbers.

In addition to the vehicles, Nuffield also sent personnel to America to lay the groundwork for increasing exports. Donald Harrison and J.T. Forsyth, sales manager and technical representative respectively, were sent on an American tour in August of 1947, stopping in the cities of New York, Washington, Cincinnati, New Orleans, Los Angeles, San Francisco, and Seattle

<sup>&</sup>lt;sup>122</sup> "By R.M.S. Queen Elizabeth: M.G. Midgets Shipped to America On Largest Passenger Liner," *News Exchange*, March 1947, 60/61. Journals, British Motor Heritage Center, Gaydon.

<sup>&</sup>lt;sup>123</sup> Reginald Hanks, Letter to Sir Miles Thomas, 29<sup>th</sup> October 1946. Box 15, 80/20 "[2]- Peace-time Production", British Motor Heritage Center, Gaydon.

<sup>&</sup>lt;sup>124</sup> H.A. Ryder, Letter to Sir Miles Thomas, 5<sup>th</sup> September 1946. Box 17, 80/20 "[2]- Peace-time Production", British Motor Heritage Center, Gaydon.

before continuing into Canada. According to Nuffield Exports, their goal was to, "visit Distributors already holding Nuffield franchises and will appoint a new chain of Distributors throughout... America." Yet it is telling that the vehicles they initially brought with them for the journey were both family sedan types, not the sports cars that were actually selling to an expanding crowd of American enthusiasts. By the time the duo reached New Orleans they had changed tactics slightly, making sure to leave an MG TC sports car in a conspicuous public spot in every city they stopped in to expose more Americans to the tiny sporting vehicle. As News Exchange jubilantly reported on the visit, "The first large shipment [of MGs] is now on the way, and America has well and truly joined the big M.G. markets like Australia, Switzerland and Belgium." As a byproduct of this tour, the MG TC was introduced to a much broader range of American consumers than enthusiasts alone. Where possible, local VIPs were photographed with the car including the Governor of Texas, and the "Cotton Queen" of the Texas State Fair as she stood (somewhat stiffly) in the passenger seat smilling at the gathering crowd. 127

As stated earlier, by the 1950s the importance of the American enthusiast market as a profitable export market for British automakers was becoming clear. Indeed, by 1952 even the British government had noticed that sports cars were selling well to American consumers. In the Monthly Economic Summary for May of 1952, produced by the Commercial Relations and Exports department of the Board of Trade for the Foreign Office special attention was paid to the development of sports car sales, "Within the general demand for British cars there is a special demand for sports cars. This is a new market in the U.S.A. which... one British car, the M.G. [T

<sup>&</sup>lt;sup>125</sup> "To America," News Exchange, September 1947, 188. Journals, British Motor Heritage Center, Gaydon.

<sup>&</sup>lt;sup>126</sup> "America Acclaims the M.G. Midget," *News Exchange*, November 1947, 254. Journals, British Motor Heritage Center, Gaydon.

<sup>&</sup>lt;sup>127</sup> "Deep in the Heart of Texas," *News Exchange*, November 1947, 256-257. Journals, British Motor Heritage Center, Gaydon.

series] has created. The new development still has great possibilities..."<sup>128</sup> In fact, the Board of Trade attempted to define the American enthusiast consumer – apparently a "young man without too much money..." – to further aid British automakers in developing their products to be more competitive. What this illustrates is a government push on multiple levels, including the foreign office, to aid British automotive imports. While the potential demand for British family cars failed to materialize in any meaningful way, and despite British motor industry recalcitrance, the export push from the Board of Trade and Ministry of Supply had succeeded in getting relatively large numbers of British sports cars in front of American consumers. In fact, these policies, which had coerced British companies like M.G. to export vehicles they normally wouldn't have, like the right-hand drive only MG T series, exposed a new market niche.

At the end of 1953 the importance of the enthusiast market was finally made clear. Increasing American domestic automotive production had begun to catch up to demand and the prices on new American cars trended downward slightly. This widened the already extant price gap between an American family car which was larger and more powerful, and a British family sedan which was smaller and underpowered. This, of course, led to a substantial decrease in the sales of British family sedans in America. However, as the Commercial Department of the British Embassy in Washington noticed, sales of British sports cars continued to do well, despite the 'softening' of the American automotive market. In a confidential memorandum to the Foreign Office and Board of Trade it noted, "With the help of the new Triumph [sports car], the Austin-Healy [sports car]... and the hotted-up M.G., coupled with the ever increasing popularity of the Jaguar, our exports of sports cars should move upwards again... prospects for the new M.G. and

<sup>&</sup>lt;sup>128</sup> Commercial Relations and Exports Department, Board of Trade, "Monthly Economic Summary, May 1952: Memorandum – Motor Cars," Circulated to Economic Relations Department, British Foreign Office 27<sup>th</sup> May, 1952. E95/9, UEE 95/5, FO 371-105097, The National Archives of the UK, Kew. <sup>129</sup> Ibid.

for the Jaguar sports cars seem brightest of all, in spite of the fact that recent sharp price reductions... appear in some areas to have temporarily unsteadied the market."<sup>130</sup> This serves as a further reminder that the sales of British sports cars in America were supported by all levels of the British government, from the Board of Trade's export push to British Embassy officials provided an eye into the American automotive market.

This section has demonstrated the importance of the British government, specifically the Board of Trade and Ministry of Supply in coercing British auto manufactures like M.G. to produce for export sale. One should keep in mind that the eventual expansion of British automakers into the American market was quite likely. However, if left to their own devices it is not likely that this would have happened much before 1950. Indeed, it is likely that the long-term presence of Americans in Britain as a result of Cold War military deployments would have eventually created sufficient demand, or at least legendary tales of sports cars, that small numbers would have been imported and eventually exposed the larger market niche. However, due to the efforts of the Board of Trade and Ministry of Supply, relatively large numbers of British sports cars came to the U.S. in the immediate postwar period of 1946-1950 which served to expose a clear niche market that was much larger than British or even American manufacturers realized.

## 2.2 Changing Tax Policy: A Push to Aid Automotive Sales

Compulsion to export through the machinations of the Board of Trade and Ministry of Supply were not the only two ways in which the British Government sought to increase exports,

<sup>&</sup>lt;sup>130</sup> Commercial Department, British Embassy Washington, Confidential Memorandum to Board of Trade, British Foreign Office, The Comptroller General, All Consular Posts, U.K. Senior Trade Commissioner Ottawa, U.K. Treasury Supply Delegation Washington, titled: "Tentative Forecast of the Prospects for U.K. Exports to the U.S. during the six months 1<sup>st</sup> October, 1953 – 1<sup>st</sup> April 1954". UEE 95/21, FO 371-105097, The National Archives of the UK, Kew.

especially during the critical 'Export or Die' years of 1946-1949. Policies of taxation were also seen as key methods through which automotive export sales could be increased. Two key taxes, the 'horsepower' tax and its detrimental effect on engine design and the value-added tax which applied to vehicles sold for long-term use in Europe were either abolished or modified in order to increase the sales of British vehicles to American consumers. While these policies were not aimed specifically at the sports car, they did serve to increase sports car sales, especially to U.S. servicemen station in Europe on Cold War deployments.

Taxation of automobiles calculated in relation to horsepower had been in place in Britain since 1910, although the relation of 'taxable horsepower' in relation to actual output horsepower had diverged. However, these policies functioned to shelter British automakers from outside competition as well as to encourage the production of small, low-powered automobiles. Historian Peter Dunnett argues in *The Decline of the British Motor Industry* that, "Before World War II engine taxation policies and protective duties had given the UK manufacturers a virtual monopoly of the home market, but had encouraged the production of designs largely ill-suited to overseas markets. Consequently... less than ten percent of [prewar] production had been exported." The 'horsepower' tax, as discussed in the previous chapter, tended to make British engines have a long stroke and small displacement. This made them 'torquey' in the parlance of automotive enthusiasts, but ultimately low on horsepower, top speed performance, and efficiency. Automotive industry executives realized in 1945 that if Britain was to significantly develop its automotive export markets then engine design would have to change. However, it could not do so if cars developed on that model would be unsaleable within the British home market, "[the tax] was a definite

<sup>&</sup>lt;sup>131</sup> Peter J.S. Dunnett, *The Decline of the British Motor Industry: The Effects of Governmental Policy, 1945-1979* (New York: Routledge, 2011), 1864.

handicap as regards larger engine models, which, with a much smaller home market demand, could not be produced in sufficient quantities to make their export economical., except in the higher-priced range." <sup>132</sup> Therefore reform was necessary, and due to the pressure within the British government to boost exports a change in policies of taxation was not only possible, but politically expedient.

The Society of Motor Manufacturers and Traders (SMMT) promoted a new taxation policy in the postwar period, initially one based on engine size alone. The new cubic capacity tax appealed to the British Treasury, which the SMMT assured would lose no revenues and that the new tax would be easier to administer. The new tax succeeded in removing the engine design distortions caused by the horsepower tax, however, it still put pressure on automobile manufacturers to produce vehicles with smaller engines. The British Government realized in one short year the failure of the new tax policy to create the kind of design freedom which had been originally envisioned. The frustration is perhaps expressed most eloquently by R.R. Holditch, General Manager Personal-Exports Division, of the British Motor Corporation:

We, as a nation, cannot afford to sell Britain short. Today we are engaged commercially in a life-and-death struggle with Germany. France, and Italy and, to a lesser degree, the other car-producing countries for world markets, without which prices in Britain must rise. We cannot afford to lag behind them in offering to the visitor those goods and services he comes to purchase. Britain needs the millions of pounds he spends; they are essential to our continued prosperity."<sup>134</sup>

Therefore in 1947 another change in vehicle taxation policy was made, this time to a simple flat registration fee, without reference to engine displacement. Sir Miles Thomas, the President of the

<sup>&</sup>lt;sup>132</sup> "More Cars for Export," *Export Trader* July-August 1947, 349. Journals, British Motor Heritage Center, Gaydon. <sup>133</sup> Andrew M. McLaughlin and William A. Maloney, *The European Automobile Industry*, 21.

<sup>&</sup>lt;sup>134</sup> R. R. Holditch, "Selling for Personal Export" *Salesman*, Winter 1958-9, 28. British Motor Heritage Center, Gaydon.

SMMT reacted favorably to this development, reportedly saying that, "designs have been freed... [having] been hampered by the horse-power tax for too long."<sup>135</sup> In the end, this turned out to be a mixed blessing, as British automakers concentrated on medium-sized vehicles with larger engines which were hoped to have more market potential overseas.

While the engines of British sports cars would increase in displacement and potency from the early 1950s to the 1960s due to this changing policy, they were never completely independent of the need for automobiles intended for European consumption to be more efficient due to the higher costs of fuel in Europe. For example, the MG T series, the first British sports car to arrive in the American market in any appreciable numbers came, in 1945, with a 1.3 liter inline 4-cylinder engine producing roughly 55 brake horsepower. The first major redesign of this model, in 1955 came with a 1.5 liter inline 4-cylinder engine producing 68 brake horsepower. Only a few years later in 1958 displacement would creep up to 1.6 liters, however the stagnation of engine size despite changes in policies of taxation at the lower end of the sports car market is starkly clear. However, on the upper end of the specialty car market this tax change resulted in the production of one of the most iconic postwar sports cars: the Jaguar XK120. The XK120 was a two-seat roadster which featured a 3.4 liter inline six-cylinder engine, developing 160 brake horsepower. The vehicle, and its powerful engine, found much praise among American enthusiasts lucky enough to afford one. 136

While the change in the horsepower tax was significant for the higher-priced version of the British sports car produced by Jaguar, the development of policies to aid the actual sale of British cars to Americans overseas were perhaps even more significant. The previous chapter has outlined

<sup>&</sup>lt;sup>135</sup> "More Cars for Export," *Export Trader* July-August 1947, 349. Journals, British Motor Heritage Center, Gaydon. <sup>136</sup> "The XK-120 Jaguar: Notes and Comment," *Sports Car* Vol. 7 No. 6, November-December 1950, 9-10. v. 7 no. 1-3, 6, 1950, SCCA 'Sports Car' Box 1, The Benson Ford Research Center, Dearborn.

the importance of military service as a prime conduit for introducing potential American consumers to the European sports car. However, while sales of export quota cars to Americans for temporary use in the UK was made possible by Section 22 of the Statutory concession in the Finance Act of 1946, the regulations currently in place mandated the export of any British vehicle sold for dollars from the export quota, "on, or about the time of, the visitors leaving the country, or 12 months after delivery of the car, whichever is the earlier." While it allowed sales to tourists and other visitors, this legislation largely locked out the largest potential source of dollars for export sports cars on the home market, U.S. servicemen. The goal of the hard limit on time in the country was intended to keep export quota cars away from the home market, which was suffering from a desperate shortage of new vehicles. However, it certainly frustrated sales efforts, both to servicemen as well as other American businessmen who would be staying in England on contract longer than a year, but not permanently and therefore were technically unable to purchase a vehicle from the export quota. 138 A compromise was quickly affected by the Ministry of Supply, which formally allowed sales of export cars for 'permanent retention' in the UK for dollars on June 10<sup>th</sup>, 1949. However, this arrangement was only for Americans or Canadians, and was framed as a diplomatic measure, "This agreement has been made because of the supreme importance of increasing our trade with Canada and U.S.A. and the Government is not prepared to extend the arrangements to nationals of other countries." <sup>139</sup> The compromise was that the American (or Canadian) purchaser must sign an agreement to not sell the car within the UK for a period of at least two years; it had to be sold to another qualified American/Canadian or exported from the UK.

<sup>&</sup>lt;sup>137</sup> Roberts, Customs and Excise, "Circular Letter to Motor Manufacturers," 5<sup>th</sup> May, 1949. BT 64/3019, The National Archives of the UK, Kew.

<sup>&</sup>lt;sup>138</sup> "Unsatisfactory situation in regard to cars for American businessmen and American firms in the United Kingdom" Copy of note given to Sir John Woods, 18<sup>th</sup> March 1949. 52, BT 64/3019, The National Archives of the UK, Kew. <sup>139</sup> D.E. Gough, Overseas Secretary, "Sales of Export Cars For Permanent Retention In The United Kingdom," Letter to British Car Manufacturers Export List, 10<sup>th</sup> June 1949. 62, BT 64/3019, The National Archives of the UK, Kew.

With the ability of American servicemen in the UK to now purchase British cars from the export quota, and without the one-year export restriction, by August of 1949 the British government had cleared a major hurdle in increasing sales to Americans overseas.

However, a second hurdle loomed ahead, the purchase tax which was applied to all British vehicles sold in the UK, unless they were sold for export and removed from the UK within twelve months. This came under scrutiny in the early summer of 1949 when British manufacturers were also actively looking for opportunities to separate Americans stationed in the UK from their valuable dollars. Nuffield, the manufacturer who owned M.G., began to send salesmen to American military bases to demonstrate their vehicles. However, they noticed that American servicemen were able to purchase through the Post Exchange (PX) French and American automobiles duty free. In response, the manager of Nuffield Exports complained, "It has not as yet been possible to ascertain the number of cars imported in this manner, but visual observation indicates the numbers to be considerable... May consideration be given please, to the suggestion that our cars supplied to Post Exchange for resale to U.S.A.A.F. personnel based in the country be supplied Purchase Tax free." While the vehicles were now legally able to stay in the country for the duration of their owners' deployment, those that stayed longer than twelve months would need to pay the purchase tax which priced British vehicles out of the range of most servicemen.

The purchase tax concession would be the second major tax change which the British government undertook to aid export sales. In the case of the purchase tax it was undertaken specifically to aid the sales of British cars to American servicemen. By the end of August 1949, the details of the purchase tax concession had to be ironed out. British cars would be sold through

<sup>&</sup>lt;sup>140</sup> R.R. Holditch, London Manager Nuffield Exports, Letter to I.I. Davis, Board of Trade 8<sup>th</sup> July 1949. 67A, BT64/3019, The National Archives of the UK, Kew.

PX locations on U.S. military bases only to, "military members of the U.S. Forces," with the guarantee that the vehicle would be exported at the end of the purchaser's term of service in the UK and that, "Purchase Tax will, therefore, be paid by the Post Exchange Authorities who will claim refund from the Foreign Office." This made British cars not only much more affordable, but also kept them prominently in display at nearly all U.S. military facilities.

The positive outcome of these policies in terms of sales was clear. Roughly 3,600 British vehicles were sold to American servicemen in 1952, of which 129 were reported to have been subsequently exported as per the sales contract. The British automotive industry also noted the importance of the PX sales scheme, evidenced here by an article in *News Exchange*, 1,000 Nuffield cars have now been delivered to American Servicemen in Britain against dollar payment...and it has contributed 1,286,988 dollars to date. These vehicles were all sold on a tax concession basis which meant that the American purchasers signed a contract which stated that the vehicle was intended for export, although by the 1950s legislation had changed again to allow the sale of the cars in the UK to another qualified serviceman. As a letter from Henlys Limited, the British distributor for southern England, illuminates, sales to American service personnel enjoy the highest priority. So much so that the manufacturers have arranged to allocate a quota of their production for the express purpose fulfilling the orders of the American Service personnel. The change in purchase tax and the legislation allowing the sales of British cars to

<sup>141</sup> R.W. Radford Customs and Excise, Letter to Maj. J.L. Spellman United Kingdom Exchange Service, 25<sup>th</sup> August 1949. 75A, BT 64/3019, The National Archives of the UK, Kew.

<sup>&</sup>lt;sup>142</sup> Reference 55726/52 Letter to C.W. Fogarty, Esq., Treasury Chambers, 22<sup>nd</sup> October 1952. CUST 49/3890, The National Archives of the UK, Kew.

<sup>&</sup>lt;sup>143</sup> "1,000 Nuffield Cars Sold to G.I.s in Britain," *News Exchange*, January 1952, 24. Journals, British Motor Heritage Center, Gaydon.

<sup>&</sup>lt;sup>144</sup> G. White, Henlys Limited, Letter to A. Owen, Esq. Customs and Excise 24<sup>th</sup> May 1951. CUST 49/3890, The National Archives of the UK, Kew.

American soldiers and airmen at on base PX facilities contributed to expanding sales of British sports cars to Americans, of which at least a percentage returned to the US with their owners.

Later in 1952 American servicemen would be given another concession, the ability to own two cars for retention and use in the UK free of duty fees and Purchase Tax. The issue originally arose out of the desire of senior staff level officers' desire to have a car for themselves as well as a car for their family. One such example was Lt. Col. Joseph Adams, attached to the 3<sup>rd</sup> Airforce in the summer of 1952. Adams asked to bring his personal Ford car to England customs and duty free, in addition to the "1952 Austin Convertible Car... purchased from the Ruislip PX recently."145 The British government, unwilling to lose the potential dollar sales from Americans who simply brought cars from the US with them quickly formulated a new policy to cover this contingency. The agreement, initiated at the behest of Lt. Col. George Cechmanek, Staff Judge Advocate of the US 3<sup>rd</sup> Airforce, was along similar lines. One, the vehicles must be exported from the UK at the conclusion of the US serviceman's service in the UK; secondly, they must be sold to a qualifying service member or the second vehicle must be exported as well. In order to appease the British this new facility was only extended to allow for the purchase of a British manufactured car, "The entitled person may also purchase, in dollars... thru the US Army and Air Force Post Exchange system (UKES) or US Navy Ship Sales Store... one (1) British manufactured automobile (not previously exported.)" 146 The rapidity of legislative changes displays the aggressiveness of the British government and automotive industry in expediting the sales of British automobiles to American military personnel. It should also be noted that many of the automotive

 <sup>&</sup>lt;sup>145</sup> Col. George Cechmanek, Staff Judge Advocate US 3<sup>rd</sup> Airforce, Memorandum to Lt. Col. Joseph V. Adams, 8<sup>th</sup> August 1952.
 <sup>146</sup> Col. George Cechmanek, Staff Judge Advocate US 3<sup>rd</sup> Airforce, Memorandum to Lt. Col. Joseph V. Adams, 8<sup>th</sup> August 1952.
 <sup>146</sup> Libid.

sales to American service men were British sports cars, even the case of Col. Adams and his 1952 convertible Austin which was, most likely, an Austin-Healey 100.

While ironing out this process for the vast numbers of American military personnel stationed in the UK assumed top priority, sales of British vehicles to American civilian tourists were also seen as another way to help increase dollar sales. The problem for American civilian tourists was the Purchase Tax; unlike military personnel whose tax would be refunded by the Foreign Office, civilians faced the reality that, "Export quota cars cannot be delivered in U.K. legally free of P.T. [purchase tax], legislation would in fact be necessary to provide the facility." The confusion over this legislation is perhaps best illustrated by the case of Mrs. Leo S. Moore and her husband, American tourists who purchased an M.G. sports car for use during their vacation in England in the spring of 1949. Their tale of automotive woe is long, after the initial extra fiveday wait to pick up the vehicle they had already bought and paid for – which was supposed to have been ready to drive away when they arrived – a major element to their misfortune was the purchase tax:

But what they did <u>not</u> expect was that they were required to pay L146 purchase tax, although in signing all the various forms in America they had understood they were exempt from this payment. They were assured of course that this sum was refundable on taking the car out of England, so they paid this too... Their reservations to return to the United States were direct from Paris, and they had no intention of returning to England so they applied to Nuffield House [the manufacturer] for refund of their Purchase Tax. They were informed that this could not be returned to them unless they returned with the car to England and turned to Nuffield House for shipment back to the United States. They had no alternative but

 $<sup>^{147}</sup>$  H.W. Cannaway, Industries and Manufactures Department, Letter to M.E. Taylor Esq., Ministry of Supply  $12^{th}$  January 1950. BT 64/3019, The National Archives of the UK, Kew.

to comply although it meant altering all their reservations and going to the additional expense of freighting the car back to England. 148

The lack of a clear policy in this regard demonstrably complicated sales of export quota vehicles to American civilian consumers in the UK. It is a sign of just how important sales of British automobiles to American tourists were that Mrs. Moore's unsatisfactory treatment was taken up by the British Consulate in Los Angeles which then reached out to the Board of Trade and Customs and Excise in order to find a less complex solution. Unfortunately for American tourists, the Purchase Tax issue was never completely simplified, however, British automakers provided a workaround in the form of the organized tour groups which will be discussed in greater detail in the following section.

## 2.3 The Effect of the British Sports Car on American Enthusiast Culture

This chapter has so far outlined the two main ways in which the British government used policy and legislative tools to expand the sales of British automobiles to Americans, especially American servicemen or civilian tourists in the UK. It is now time to examine the significance of the British sports car in terms of its impact on American enthusiast culture. Perhaps more than any other single foreign industry, the British automobile industry exerted an incredible influence on American consumers following World War II through the importation of the sports car. While there certainly were American automobile enthusiasts who had been exposed to European performance vehicles in the prewar period of the 1910s-1920s, either through the Vanderbilt series or other international racing events, most had never owned a sports car. Sports cars simply were not available to the average American until British manufacturers began importing them by the

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<sup>&</sup>lt;sup>148</sup> British Consulate-General, Los Angeles, Transcript of Telephone Message to Board of Trade, London, 12<sup>th</sup> November 1949. 91C, BT 64/3019, The National Archives of the UK, Kew.

thousands after 1946. As ownership expanded so did American participation in facets of European automotive culture such as the enthusiast club and amateur racing. Early enthusiasts would form the backbone of the Sports Car Club of America (SCCA), one of the first major enthusiast organizations in the United States. Despite the SCCA's elitist beginnings an expanding group of American enthusiasts would influence the direction of the club move it from a social organization to a sanctioning body for amateur European-style motorsport in America.

The SCCA emerged as an enthusiast organization in late 1944 as an Allied victory in Europe seemed to loom on the horizon. It was outgrowth of the now defunct Automobile Racing Club of America – a prewar association which is unrelated to the organization of the same name currently responsible for American stock car racing – and the US faction of the M.G. Car Club intended to serve as a social group for American enthusiasts. <sup>149</sup> From its inception the focus was on automobiles produced in Europe, even though some prewar American automobiles were also represented. In early 1945 it renamed its newsletter *Sports Car*, a change from the previous *Sportwagen*, a German term of the same meaning, which is again demonstrative of the European focus of American sport car enthusiasts. <sup>150</sup> It early members were mainly wealthy East Coast Americans who seemed to pride the exclusivity of their organization, only owners of European cars were allowed to become full SCCA members. These lucky few would meet monthly, at least while the weather was favorable, to discuss their automotive passions and engage in some impromptu road racing of their prewar sports cars.

By 1948 the club had expanded remarkably. From the initial meeting of three enthusiasts in the Washington D.C. area in 1945 the club had grown to a membership of a few hundred, and

<sup>&</sup>lt;sup>149</sup> "Introduction to the SCCA," Accessed 10/01/2017 from

http://www.na-motorsports.com/Organizations/SCCA/Introduction.html.

<sup>&</sup>lt;sup>150</sup> "The New Title," *Sports Car* Vol. 2 No. 2, March-April 1945: 1. v.2 no.2-4, SCCA 'Sports Car' Box 1, The Benson Ford Research Center, Dearborn.

into new geographic regions like Miami and Los Angeles. This rapid growth had been fostered by the expansion of sportscar ownership due to the affordable British M.G. T-series which was being imported in ever increasing quantities. For instance, in a review of the Miami regional meeting a note is made of, "New member Bill Doble," who, "owns a 1946 MG Midget [MG TC], one of the first postwar sports cars to arrive in America from England." In the same year the Boston region of the SCCA noted that the only sports car actually on the road in Boston was an MG TC. Through these tiny regional snapshots of expanding early postwar SCCA membership the MG's role in democratizing American access to the sports car is clearly demonstrated.

As ownership of European sports cars like the MG T-series expanded so too did American enthusiast interest in motorsport, especially motorsport based on a European model. The performance advantages of the European sports car were mainly in its agility; the small, lightweight European sports cars could corner significantly quicker than American production vehicles of the period. However, European sports cars did not necessarily excel in tests of acceleration or top speed, therefore limiting their use in emergent forms of American motorsport such as the drag race and circle-track racing. Indeed, European racing tended to focus on the technical elements of driving, as American Wilbur Shaw noted in a letter to a fellow enthusiast back home:

The trip abroad was very interesting since we were able to attend the Sports Car Race at Pescara, Italy, and although the speeds were not high, it was a very interesting race from a spectator's point of view because of the trickiness of the course. Continental people have been brought up on that kind of racing and appreciate the technique and skill required negotiating difficult turns, no matter

<sup>&</sup>lt;sup>151</sup> Bob Gegen, "Miami Regional Notes," *Sports Car* Vol. 5 No. 1, January-February 1948, 16. v. 5 no. 1-3 1948, SCCA 'Sports Car' Box 1, The Benson Ford Research Center, Dearborn.

<sup>&</sup>lt;sup>152</sup> T. F. Robertson, "Boston Regional Notes," *Sports Car* Vol. 5 No. 2, March-April 1948, 39. v. 5 no. 1-3 1948, SCCA 'Sports Car' Box 1, The Benson Ford Research Center, Dearborn.

how slow the turn might be. This is something I am afraid we will never be able to sell in this country [United States]. 153

Shaw's fear that European style events would never expand in America proved to be unfounded, however it serves as an additional demonstration of the European focus of American enthusiasts in which the idea of 'Europe' functions as a metropole of sorts for sports car development and motorsport. In any case, American sports car enthusiasts looking to experience the true performance abilities of their vehicles needed a road course, in other words a race track which featured many turns of differing angles and severity. A road race, or 'Grand Prix' imitated the old town-to-town races common in the 1910's and 1920's in Europe: the twisting course laid out along town or rural roads stood in for the traditional country roads of Europe, and the overall race distance, over multiple laps of a much smaller race circuit, were usually at least 30 miles to imitate the distance between European towns. Initially, these courses would be created by closing public roads in close cooperation with local authorities to create a safe (and legal) environment for racing, however, by the 1950s this type of racing would be increasingly relegated to purpose-built racing tracks entirely separate from public roads.<sup>154</sup>

The creation of the first sports car road race in America offers a clear example of how increasing sports car ownership by American enthusiasts created the environment for the expansion of amateur motorsports in America influenced by European-style motorsport. By the summer of 1948 the SCCA executive committee was under increasing pressure from a growing membership base which wanted more out of the club than social meetings and were themselves

<sup>&</sup>lt;sup>153</sup> Wilbur Shaw, "A Letter Received by George Weaver from Wilbur Shaw," *Sports Car* Vol. 5 No. 3, May-June 1948, 16. v. 5 no. 1-3 1948, SCCA 'Sports Car' Box 1, The Benson Ford Research Center, Dearborn.

<sup>&</sup>lt;sup>154</sup> In the 1952 running of the International Grand Prix at Watkins Glen a seven-year-old boy was killed by one of the race cars and forced the race committee to buy local land for a permanent track constructed in 1956. See Joseph Siano, "The Hallowed Ground of Sports Car Racing," *The New York Times*, 4<sup>th</sup> September 1998. Accessed 10/01/2017 from http://www.nytimes.com/1998/09/04/automobiles/the-hallowed-ground-of-sports-car-racing.html.

tired of holding questionably legal regional enthusiast 'racing' events on public roads, unsuitable tracks, and the estates of some of their wealthier members like Briggs Cunningham. Therefore, on June 12<sup>th</sup>, 1948, the executive committee travelled to Watkins Glen, a small town in the Finger Lakes region of New York State, to investigate the possibilities of staging the first postwar road race for American enthusiasts, to be called the 'Grand Prix' at Watkins Glen. The executive committee found an enthusiastic local Chamber of Commerce eager to create a surge of tourist traffic late in the season, which went so far as to host a banquet dinner for the SCCA delegates, and influential members of the local community. One of them was Cameron Argetsinger, a local lawyer who was quoted in a later interview in 1998 that, "'It's been said, and it's not entirely wrong, that I did it [helped establish the Grand Prix] because I had an MG-TC and didn't have a place to race it..."<sup>155</sup> The Mayor himself even offered to secure the necessary State and County cooperation to hold the race along routes which passed through those respective jurisdictions, although he was not a sports car owner himself. To mollify those in the community who may not have been as excited to have a road race held in their town, the SCCA, under advisement from the Mayor, designated the local Schuyler Community Hospital as a charity which would receive all profits from the sales of the race program. As the SCCA reported in the My-June issue of Sports Car, the bi-monthly club newsletter, "Here is a chance to have a real annual event comparable to what the Europeans have been doing for years..."156

The Watkins Glen Grand Prix, scheduled for the 2<sup>nd</sup> of October 1948, was a tremendous success. Given the SCCA's predominantly East Coast membership, enthusiast attendance was high,

<sup>&</sup>lt;sup>155</sup> Cameron Argetsinger quoted in Joseph Siano, "The Hallowed Ground of Sports Car Racing," *The New York Times*, 4<sup>th</sup> September 1998. Accessed 10/05/2017 from: http://www.nytimes.com/1998/09/04/automobiles/the-hallowed-ground-of-sports-car-racing.html.

<sup>&</sup>lt;sup>156</sup> Alec Ulmann, "S.C.C.A. (international, we hope) Grand Prix at Watkins Glen – October 2, 1948," *Sports Car* Vol. 5 No. 3, May-June 1948, 15. v. 5 no. 1-3 1948, SCCA 'Sports Car' Box 1, The Benson Ford Research Center, Dearborn.

an estimated ten thousand people, and some fifty sports cars were on display, although only twenty-seven cars were entered in the race. Of those, fifteen were entered in the main event, the eight lap, thirty mile Grand Prix. Eight of them were MG TCs and all eight crossed the finish line. The Watkins Glen race was covered in local newspapers such as the *Elmira Sunday Telegram*, which despite it not being an enthusiast publication noted that, "The course was patterned after the Grand Prix courses of Europe. A portion of the route was through the village." First place went to a prewar Alfa-Romeo, and second went to Briggs Cunningham's modified 'BuMerc,' a homebuilt racing car made by a combination of Buick drivetrain components on a Mercedes chassis. However, third place went to an MG TC, also owned by Cunningham, but driven by a fellow enthusiast and friend Haig Ksayian. The podium finish would of course help to sell more MGs to American enthusiasts, however, even by 1948 results of the British export push are clearly demonstrated: over half of the vehicles entered in the first postwar American road race are post-1946 production British sports cars.

The event was also quite popular among the American enthusiasts who participated. Denny Cornett, an SCCA member and MG owner from Kentucky who had driven to New York to compete, wrote that despite his crash on the course which nearly destroyed his car he fully intended to race again the following year, "I now call her [the MG] 'Lucky 7' and I would like to put in a request for that same number when we race next year... Here's to many more such races." Another American enthusiast, Bill Galagher from Massachusetts opined that the Watkins Glen race, "was the grandest affair I have ever attended from every standpoint," although he did offer

<sup>&</sup>lt;sup>157</sup> "Wayne, PA., Driver Wins Grand Prix; 27 Cars Entered" *Elmira Sunday Telegram*, 3<sup>rd</sup> October 1948 reprinted in *Sports Car* Vol. 5 No. 5, September-October 1948, 3. v. 5 no. 4-6 1948, SCCA 'Sports Car' Box 1, The Benson Ford Research Center, Dearborn.

<sup>&</sup>lt;sup>158</sup> Benny Cornett, "Letters to the Editor" *Sports Car* Vol. 5 No. 5, September-October 1948, 11. v. 5 no. 4-6 1948, SCCA 'Sports Car' Box 1, The Benson Ford Research Center, Dearborn.

the suggestion that in future iterations of the Grand Prix at least one race be set aside specifically for foreign sports cars only. 159 His contention was that despite the SCCA's proclaimed organization around the European sports car, the first two places went to vehicles which were really full racing cars, heavily modified. Indeed, the second place 'BuMerc' hardly qualified as being either European or a sports car, having more in common with American hot rods than a European sports car. In a bit of passive-aggression Gallagher suggested, "If this type of car is encouraged [heavily modified or racing-only cars] the true foreign car, sports enthusiast, will have to take a back seat. I understand the original idea of the club runs along the idea, and it would be wonderful to see it continue so." Through this quote one can see the struggles and complexities inherent in the transfer of culture due to increasing globalization. The importance of amateur racing as an arena in which to use the sports car for it intended purpose – performance driving – is abundantly clear. However, racing is, at least in theory, about having the fastest vehicle on the track, which necessitates modification. Modification, however moves the vehicle away from a, perhaps imagined, European sports car purity. Therefore, these vehicles are not seen as sports cars since elements of the 'European' driving attributes are stripped away in the pursuit of pure performance and that kernel of 'European-ness' is lost. This is really at the heart of what Gallagher is trying to express; the pure racing cars are impure, they are not the 'true foreign car' which the club is supposed to promote. This then is one of the clearest indications of the importance of the British sports car in the transfer of an enthusiast culture to American consumers in the postwar period, a demonstration of the inseparability of 'European-ness' when it came to the credentials of the 'true' postwar sports car.

 <sup>&</sup>lt;sup>159</sup> Bill Gallagher, "Letters to the Editor," Sports Car Vol. 5 No. 5, September-October 1948, 11/12. v. 5 no. 4-6 1948,
 SCCA 'Sports Car' Box 1, The Benson Ford Research Center, Dearborn.
 <sup>160</sup> Ibid.

Similar road racing events began to appear with ever increasing frequency around the country as the SCCA began its transition to being more of an amateur racing organization. In January 1950 the Palm Beach Shores Race, a road circuit on the streets of the town of Palm Beach Shores brought out 62 entrants, 22 of which were British production sports cars, 14 MG T-series (one coming from as far as Washington state), 5 Jaguar XK-120s, and 3 Healeys. Of the other entrants, all but 7 were cars of European manufacture. 161 While the increasing number of entries dilute the percentage of the sports cars of British manufacture, it is still clear that in terms of postwar production sports cars British manufacturers were leading in the American enthusiast market. While MGs continued to be represented in large numbers, the Jaguar XK-120, introduced to Americans in 1948, was larger, more luxurious, more powerful, and significantly more expensive than the MGs and exposed a new facet of the American enthusiast niche market. The Jaguar appealed to wealthier automotive enthusiasts, however it was certainly a performance car, and soon established a successful racing pedigree. The Healey, by contrast, was an evolution of the MG model, a small, lightweight sports car powered by a small engine with a more modern body and chassis design for the 1950s. Both new models built upon the sporting image of British manufactured vehicles established by the MG T-series in the eyes of American enthusiasts, illustrating the success of the export drive. These new sports cars helped further establish the idea that performance motoring came from Europe.

As more and more British sports cars became readily available to American enthusiasts, amateur racing began to dominate the focus of the SCCA. The regional meets, which had begun largely as social events with impromptu motorsport thrown in for fun, became amateur racing

<sup>&</sup>lt;sup>161</sup> Bob Wilder, "Palm Beach, 1950" *Sports Car* Vol. 7 No. 1, January-February 1950, 11/12. v. 7 no. 1-3, 6 1950, SCCA 'Sports Car' Box 1, The Benson Ford Research Center, Dearborn.

events with the non-racing social activities taking a back seat. The types of motorsport practiced by American enthusiasts also began to diversify, although still borrowing heavily from European trends. Rallying – a European motorsport popularized in 1911 by the Monte Carlo Rally, were 'races' in which a driver and navigator attempt to maintain a predetermined speed over a set route of public roads broken into legs of varying distance by control points (or checkpoints) – exploded in popularity in postwar America. Rallies were not about all out speed, rather it was about maintaining the predetermined speed for each leg of the route with points deducted for arriving at checkpoints too early or late. They usually covered long distances and required meticulous planning on both the organizers' and drivers' part, a win or loss could come down to a tenth-second variance in checkpoint arrival time. A few rallies had been held in the immediate postwar years in America, however the Los Angeles Spring Rally of 1950 is particularly illustrative of this new trend and the significance of the British sports car in spreading it. The rally was held of Sunday, February 26<sup>th</sup>, 1950 and organized by the Los Angeles Regional Group of the SCCA, which is itself indicative of the rapid expansion of the organization. The route covered roughly 130 miles of Southern California mountains and desert, proceeding through the small towns of the coastal mountains, La Cañada, Tujunga, and Sunland before reaching, "a bewildering succession of steep grades and hairpin curves that traversed two mountains. Not even the descending sections offered a respite from continuous gear changing and tiller work, while any excursion off the pavement might mean a sheer drop of several hundred feet."162 Clearly the organizers were aiming at a rally with a European feel, and making the most of the mountainous terrain of Southern California. It is also important to note that the majority of the vehicles entered were MGs – 33 out of 43 – and they

<sup>&</sup>lt;sup>162</sup> G. Thatcher Darwin, "Los Angeles Region Spring Rally," *Sports Car* Vol. 7 No. 1, January-February 1950, 11/12. v. 7 no. 1-3, 6 1950, SCCA 'Sports Car' Box 1, The Benson Ford Research Center, Dearborn.

swept first, second, and third finishes. Through this event, and the many others which followed, it becomes clear that the British MG sports car provided an access point to a broader European enthusiast culture. Whether the consumer's interest was aroused before or after the purchase of the vehicle, the vehicle itself still was an essential component in the spread of this European enthusiast culture, seen here in the form of rally racing, to American enthusiasts.

The 1950s was a boom period for the expansion of racing led by the SCCA, even beyond the rally and road race. The Milwaukee region organized a type of race called the 'gymkhana,' a motorsport in which a very small course that emphasized a driver's knowledge of and ability to precisely control the car at low to medium speeds is created, usually in a large parking lot or airfield. This type of racing suited the small British sports cars of the time, top speed and acceleration outside of the first two gears was irrelevant, and much more rested on the driver's ability to precisely control the car within the confines of the track. Indeed, as American enthusiast Carl Mueller notes in his report to Sports Car, the Milwaukee meet represented, "a new type of event patterned after the lines of the very popular English trials, or Gymkhana."163 At the Milwaukee event a familiar pattern emerges yet again, 22 of the 27 entries are of British manufacture, and 15 are MG T-series, 4 Jaguar XK-120s and 1 lone Healey. The is illustrative of the fact that in many cases the appropriation of European-style motorsport by American enthusiasts was intentional, the Milwaukee SCCA members were knowingly attempting to recreate an English-style motorsport event for the benefit of American participants, the majority of whom arrived driving a British vehicle.

<sup>&</sup>lt;sup>163</sup> Carl Mueller, "Milwaukee Region Holds Kettle Moraine Gymkhana," Sports Car Vol. 7 No. 3 May-June 1950, 16. v. 7 no. 1-3, 6 1950, SCCA 'Sports Car' Box 1, The Benson Ford Research Center, Dearborn.

The rapid growth of the SCCA, in membership numbers and regional scale, as well as its evolution from a social organization to a sanctioning body for American amateur motorsport illustrates the complex currents of cultural globalization. On the one hand, the spread of a European enthusiast and motorsport culture within and among American enthusiasts is a process intentionally carried out by willing participants. After all, it is American consumers, exposed to British sports cars during military service or seeing them in action in the United States, who purchase the sports cars with no form of overt compulsion and who take great pleasure in experiencing the performance these cars can offer in European-style motorsports events. However, on the other hand, this process is influenced by a foreign government's domestic and export policy, from the control over steel which compelled British manufacturers to export to hard currency markets, through to the alteration of tax and customs policy to increase the sale of British vehicles to American servicemen in the UK on Cold War deployments. The narrative is further complicated by the efforts of the manufacturers and distributors of British vehicles in the US to increase sales by co-opting elements of enthusiast culture.

## 2.4 'The European Tour': Using the idea of 'Europe' to Sell the Sports Car

The rapid growth of the SCCA and in the popularity of European-style amateur racing events did not go unnoticed by British manufacturers and their US sales and public relations departments. In fact, some British manufacturers used the single-marque enthusiast club as mechanism to increase sales. The most well documented of these attempts was made by Standard-Triumph, the British automaker which produced the "TR" series of small and relatively inexpensive sports cars in the MG tradition, first introduced to Americans with the TR-2 in 1954. Triumph sponsored the creation of the Triumph Sports Owners Association (TSOA) in the spring

of 1955 with the idea being to use the already established enthusiast culture of the single-marque owners club to enhance the image of the Triumph sports car among American consumers. These clubs had begun to rapidly expand in the US due to the cultural transfer and comradery fostered by a growing number of American enthusiasts who owned British sports cars. More specifically, the TSOA was an attempt to establish a brand loyalty to encourage current owners to buy newer Triumph models rather than moving to a competitor's brand, such as MG or Healey, as well as using the experience of current owners to extoll the virtues of the car to fellow enthusiasts to increase sales of new Triumphs to Americans. The TSOA was firmly under the control of the Standard-Triumph corporation and its monthly publication was produced by an employee of Standard-Triumph's New York office. Both Keith Hopkins and, later, Michael Cook, the employees assigned to manage the TSOA as part of Triumph's public relations apparatus for American enthusiasts were both sports car enthusiasts themselves which helped to guide and focus the material which appeared on its pages. However, in the end, and unlike the other enthusiast club newsletters and periodicals, the TSOA and its newsletter were essentially a mouthpiece for the corporation to spread public relations material and sell more cars.

In the first year of the club's existence creative membership drives were used with prizes offered to those who were able to convince fellow Triumph owners to join. TSOA members who convinced five fellow Triumph owners received a miniature model TR2 as an incentive. Moreover, it appears as if this drive were successful, the September issue claiming that several TSOA

members were about to enroll their fifth new member. <sup>164</sup> TSOA membership was pushed from the dealers as well, Michael Cook writes in his partially autobiographical monograph, *Triumph Cars in America*, "Dealers were urged to get as many customers as possible to join the Triumph Sport Owners Association." <sup>165</sup> Furthermore a great deal of space in the monthly newsletters was initially devoted to noting the success of Triumph drivers in SCCA competitions, attempting to forge a brand image of motorsports excellence. It should be noted that Cook's insights come from a unique position among automotive authors considering he was the US-based advertising manager for Triumph and secretary of the TSOA. Hired in 1958, he quickly moved up to become the advertising and public relations manager for Triumph in the United States, as well as the editor of the TSOA newsletter, which allows a glimpse into the machinations of manufacturers and marketers to coopt enthusiast culture to increase sales.

One of the most significant TSOA projects was establishing, or rather selling, the European Tour to American Triumph owners and enthusiasts. The Triumph Rallies of Europe originally were an idea of a California Triumph dealer and taken up by Alan Bethell, President of the US division of Standard-Triumph. The plan was for a small group which would charter a plane to Britain from the US, pick up their brand-new Triumph sports cars and embark upon a three to four-week organized tour of Europe, making sure to hit the key tourist locations: Paris, Rome, Geneva,

<sup>&</sup>lt;sup>164</sup> "Membership Contest," *TSOA News Letter* Vol. 1 No. 6, September 1955, 1. Journals, British Motor Heritage Center Archive, Gaydon. Note: This entire collection was made available in an online archive by David Knopf constructed from original documents donated by Triumph enthusiasts: Dave Edwards, Brad Eels, Glynn Ford, Derek Graham, Leslie S. Lee, Mel and Kristie Hildebrandt, Tom Householder, Andy Mace, Lou Metelko, Robert L. Nelson, Hans Roensch, John Smith, David Somerville and Jack Sutherland. Due to the comprehensive nature of the collection and the unfortunately nebulous nature of private web pages I have taken the liberty of downloading the archive in its entirety and donating it to the British Motor Heritage Center in Gaydon, UK, with proper credits given to the original creators/compilers. This was done in order to ensure another accessible digital copy exists of these newsletters for future historians. Therefore, although the weblink was still working as of November 2017, future references in this dissertation will cite the British Motor Heritage Center, Gaydon exclusively. Archive originally available from: *TSOA Newsletters Archive*, Accessed on 5/2/2017, http://www.templeoftriumph.org/tsoa/tsoa.html. <sup>165</sup> Michael Cook, *Triumph Cars in America* (St. Paul: MBI Publishing, 2001), 76.

Brussels, etc. Participants would, "Stay in top class hotels; enjoy free sight-seeing tours and lavish cocktail parties. Never worry about luggage—there's a van. Never worry about the car mechanics will check it and wash it every night!"166 In the initial announcement to American Triumph owners through the TSOA newsletter the Rally was sold to prospective participants in part by emphasizing the European driving environment, "Led by one of the Triumph team's crack drivers... the route will pass over many of those very roads and mountains which call for such skilled driving in the Monte Carly [Rally] and Alpine [Rally]."167 This connection to famous European motorsport further supported the feeling of many American enthusiasts that Europe represented the 'homeland' of the sports car. Therefore, the experience of driving a sports car in Europe was seen as particularly valuable by Americans who otherwise lacked access to this type of driving environment, in addition to the broader appeal of European tourism. The cost of this adventure was subsidized by the TSOA and Standard-Triumph, the Triumph Tour of Europe was a \$200 option when ordering a new TR3 sports car at any US dealership, although this obviously did not include airfare or fuel expenses. Meanwhile, the cost of the car itself was roughly \$600 less if delivered in Britain, while the cost of airfare was roughly \$300, which meant that for an American consumer, the added cost of the European tour was really only gas, food, and hotels. <sup>168</sup> Furthermore, the American TSOA, itself funded by the Triumph factory, would sponsor a Rally during the tour, and the winner would have the cost of entry covered. 169

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<sup>&</sup>lt;sup>166</sup> Michael Cook, *Triumph Cars in America*, 56.

<sup>&</sup>lt;sup>167</sup> "Triumph Rally in Europe," *TSOA News Letter* Vol. 2 No. 7, July 1956, 2. Journals, British Motor Heritage Center, Gaydon.

<sup>&</sup>lt;sup>168</sup> David Hebb and Caroline Hebb, "Triumph Tour of Europe," *Sports Car* Vol. 14 No. 4, July-August 1957, 49. v.14 no. 4 1957, SCCA 'Sports Car' Box 1, The Benson Ford Research Center, Dearborn.

<sup>&</sup>lt;sup>169</sup> "Triumph Rally in Europe," *TSOA News Letter* Vol. 2 No. 7, July 1956, 2. Journals, British Motor Heritage Center, Gaydon.

American interest was immediate, and the first Triumph Tour of Europe in the late spring of 1957 was completely booked well in advance. However, while the tour was sold to Americans as a way to authentically experience driving a sports car in Europe, the reality was tour participants were treated like royalty, and the experience was less about sporty driving and more about partying through European cities. For instance, Tour participants were greeted at the stairs as the disembarked from their BOAC charter flight and handed the keys to their new TR3s which were waiting on the next to the plane. In Brussels film cars followed participants throughout the country and, "five policemen with high powered motorcycles were put at our disposal, and with sirens screaming they cleared the roads to Aachen, allowing us to proceed at nearly 90 m.p.h." At night local representatives from British Petroleum, "washed all the cars, checked the oil and water, and replaced either if necessary free of charge. All the cars were taken away to be filled with petrol and the bill rendered the next morning at the hotel desk." 171 Rather than immersion within the local cultures of Europe, participants were whisked through, often times with a police escort, stopping to party with local representatives of Standard-Triumph, while hardly having to think about their cars, and certainly not participating in European motorsport. In some locations like Paris the stops were longer, and tour participants were allowed to explore the city on their own. Yet European automotive culture and culture more broadly were not emphasized, and in this light the European Tour can be seen for what it was, a purely marketing move. Indeed, the Tour fulfilled the marketing desires of Standard Triumph, who just wanted, "publicity... both in the media and word-of-mouth." as the event was reported in several local papers in Europe and, with some prompting by Triumph PR manager Paul Thurston, by the enthusiast press in America. 172

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<sup>&</sup>lt;sup>170</sup> Keith Hopkins, "1<sup>st</sup> Triumph Sport Owners Association Rally of Europe" *Standard Triumph Review* Vol. 19 No. 5, May 1957, 176. Journals, British Motor Heritage Center, Gaydon.

<sup>&</sup>lt;sup>172</sup> Michael Cook, *Triumph Cars in America*, 56-58.

These prompted stories emphasized the parties and the tourism, not the driving, another indication that this was just an attempt to co-opt an emergent enthusiast culture for marketing purposes. What is particularly interesting is the discrepancies and differences which appear in the various versions which were published in American enthusiast periodicals. For instance, the a retelling of the 1957 Triumph Rally which appears in the SCCA's monthly Sports Car, is much more detailed and notes the scenery, the road surface type and its variances in different countries, and regional variances in driving culture. Omitted is any reference to police escorts and speeding through European towns, although the American participants who penned the SCCA article, David and Caroline Hebb, certainly enjoyed their share of the partying. <sup>173</sup> Perhaps David and Caroline's experience was an statistical outlier, as Cook notes, "In general, the participants were not sports car enthusiasts when they signed up, and many were people in their 50s and 60s trying a sports car for the first time," and therefore would have paid significantly less attention to the driving aspect of the Tour. 174 However, far more likely is that the article which appeared in Sports Car was targeted towards an enthusiast audience, whereas the others were targets at a more mainstream American consumer. In any case, the Triumph Tour of Europe was a resounding success for the Standard Triumph company, in fact, the Triumph Tour of Europe was so successful that it became an annual event from 1957-1962. From six countries and roughly 2500 miles in 1957 the Tour grew to "10 countries and covered over 3000 miles," by 1960. The success of the Tours is demonstrative of the close association of 'Europe' and the sports car in the minds of American

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<sup>&</sup>lt;sup>173</sup> David Hebb and Caroline Hebb, "Triumph Tour of Europe," *Sports Car* Vol. 14 No. 4, July-August 1957, 49-58. v.14 no. 4 1957, SCCA 'Sports Car' Box 1, The Benson Ford Research Center, Dearborn.

<sup>&</sup>lt;sup>174</sup> Michael Cook, *Triumph Cars in America*, 59.

<sup>&</sup>lt;sup>175</sup> Michael Cook, *Triumph Cars in America*, 65.

enthusiasts, and is further reinforced by the ease by which a British manufacturer and American marketing department was able to use a European vacation to increase sales of a British sports car.

On future versions of the European Tour, Triumph owners were mobilized to help sell participation, and therefore, the purchase of a TR sports car as well. Announcements for the 1960 Triumph Rally of Europe exhorted American Triumph owners to spread the word to enthusiasts and non-enthusiasts alike:

In case you hadn't thought of it yet, there's no telling how many of your friends might be interested! What about a trip through Europe with your neighbors, your close friends from the sports car club or your favorite bridge partners? In the past, groups of close friends have found a TSOA Rally the perfect way to spend a holiday together. Ask your friends... they'll be wild about the idea. And, even if you can't go, they may want to!"<sup>176</sup>

If one couldn't stand one's neighbor they need not fear, there were two rallies due to the number of Americans interested in participating, so a Triumph owner could also convince their neighbors or anyone else to go and then tour Europe separately. These elements again expose the Triumph European Rally for the marketing exercise that it was; a coopting of American enthusiasts and their desire to participate in elements of a European automotive culture, such as the single-marque owners club, to increase sales. However, through this program American consumers were exposed to the European sports car who may not have been otherwise. Furthermore, even though the Tour was very much a preplanned event it still exposed Americans to Europe and European enthusiasts fostering transnational engagement and a transfer of automotive culture.

European Tours or Rallys were not the only international activities facilitated by the TSOA. For instance, in 1962 the TSOA offered its members a tour put together by an unaffiliated New

<sup>&</sup>lt;sup>176</sup> "Rally Run-Down... 1960," *TSOA News Letter* Vol. 6 No. 1, January 1960. Journals, British Motor Heritage Center, Gaydon.

York travel agency which was set to coincide with the International Racing Car Show in London, "arranged to cater to the tastes of sports and racing car enthusiasts..." Included in the roughly \$500 price was admission to all days of the show, a cocktail party where guests would be introduced to the "World's top Grand Prix drivers," guided tours provided by subsidiaries through London, and "at your disposal—and completely free—an automobile for the duration of the tour." At an event such as this Americans would have been exposed to British and other European automotive enthusiasts and cultures, doubtlessly forming transnational connections and informing their decision regarding motorsport or club activities upon their return. Unfortunately, participation numbers or reports do not appear in subsequent issues of *TSOA News Letter*, however, the mere fact that this existed independently of the TSOA indicates its interest to American enthusiasts.

The 'British Invasion' of small, cheap sports cars, was tremendously influential to American automotive enthusiasts. While European sports car enthusiasts did exist in America prior to 1946, their numbers were quite small and activities limited. However, the introduction of postwar limited-production British sports cars in ever increasing number and variety exposed so many more Americans to a different form of performance and motorsport. This would be further encouraged by a British industrial policy that mandated a high export ratio, especially to hard currency markets like the US, and changes in domestic tax policy which had hampered British engine design. Additionally, the British government also made changes to Customs and Purchase Tax policy, working closely with American military personnel, to expand sales to American servicemen stationed in the UK. With an increasing number of sports cars finding American

<sup>178</sup> Ibid.

<sup>&</sup>lt;sup>177</sup> "International Racing Car Show in London" *TSOA News Letter* Vol. 8 No. 11, November 1962, 2. Journals, British Motor Heritage Center, Gaydon.

owners came a European-derived enthusiast culture indicated by the rapid growth of American enthusiast organizations like the Sports Car Club of America, and even factory sponsored clubs like the Triumph Sports Owners Association. The turn of the SCCA towards becoming an American sanctioning body for amateur motorsport is indicative of the depth of automotive enthusiast culture coming from Europe with the cars, in other words along with the vehicles come distinctly European forms of motorsport: the rally, road-race, hillclimb, gymkhana, etc. which exploded in popularity in the US. In turn, more motorsports events brought crowds, regularly numbering in the thousands, of Americans who may not have been otherwise exposed to the sports car and created a new batch of enthusiasts, eager to someday own a European sports car of their own. By the early 1950s it was clear that the market for sports cars in America was much larger than anyone, including British and American auto manufacturers, initially thought. While British cars had faced little competition from 1946 to 1952 that was beginning to change. Competition would come in the mid-1950s from American automakers Chevrolet and Ford, which will be explored in the following chapter, as well as from German manufacturer Porsche which appeared on the American market at the same time.

# CHAPTER 3. 'DER PORSCHE VAS PUSHIN': A CASE STUDY

What was true at the start is still true today: there is no arena as important to the success of a brand as the American market. The US has had an informed car culture from the very beginning and brings the hardest competition as well as the most potential for starting trends that will have a global impact. Porsche has become a globally recognized brand, yet its strength is inextricably linked to America. – Dr. Ing. h.c.F. Porsche AG <sup>179</sup>

Postwar Germany was a territory destroyed and divided. Industrial production capacity had been specifically targeted by the Allied powers during the war, and the devastation wrought by numerous bombing campaigns severely affected the facilities of the German automobile industry. However, the utter destruction of factories did have a certain benefit. It meant that new factories had to be constructed, then filled with modern machines and tools optimized for peacetime automobile production. Furthermore, growing tension with the Soviet Union began to dictate Allied sentiment and strategy, which led to the United States granting large numerous economic benefits to Western Europe with the goal of stabilizing their economies as a deterrent to Communism. This aid came mainly in the form of loan programs such as the Marshall Plan, for western European industrial reconstruction. However, the effects of losing a world war could not be entirely mitigated, and therefore the German automobile industry would not only arrive comparatively late to the American market, but would be produce their initial models in limited numbers, with much of the assembly done by skilled craftsmen working with hand tools.

<sup>&</sup>lt;sup>179</sup> Dr. Ing. h.c.F. Porsche AG, *Porsche in America*, trans. Andrea Hiott (Stuttgart: Porsche-Museum, 2015), pp. 4-5.

This chapter examines one German automaker, Porsche, and the American enthusiast organization which grew around its products from 1950 to 1975. Porsche, alone amongst its competition, only produced sports cars and therefore serves as an ideal case study to examine the ways in which the design, engineering, and method of marketing of a German performance vehicle served to transport elements of European automotive and German national culture to American consumers. This chapter also examines the way in which Porsche balanced their need to appeal to Americans with the need to retain the authenticity of Europeans performance that defined the niche sports car market. Ultimately, Porsche sports cars were transformed by their contact with distributors, American consumers, and were adapted for the American market while simultaneously retaining the kernel of European authenticity that both appealed to American consumers and served to transport elements of German culture to Americans. This illustrates the fluid nature of global cultural exchange fostered through consumption and further complicates established narratives of 'Americanization' by demonstrating that processes of globalization occurred within the United States, not just beyond its borders in the 1950s.

This chapter is split into three sections, the first of which is an examination of Porsche's emergence in the postwar period as an independent manufacturer, in addition to the ways in which the postwar German economic and political environment shaped their initial models and target market. The second section focuses on how Porsche sports cars were adapted for an American consumer, first by independent distributors using their power as gatekeepers to American consumers, and later how they attempted to find a balance between catering to trends in the broader American automotive market while continuing to provide an authentic European driving experience. For instance, the development of the 'Sportomatic' automatic transmission, which complicated the idea of a European cultural 'authenticity' in Porsche sports cars, represented an

attempt to reconcile American consumer trends and European sports-performance. The third section examines the marketing used to sell Porsche cars to American consumers, specifically the way in which a history of success in European motorsport was used to establish an image of performance authenticity to appeal to American consumers. The fourth section of this chapter analyzes the response of American enthusiasts through the lens of the Porsche Club of America (PCA). The very existence of the PCA and its growth from 1958 to the 1970s is an indication of the cultural significance of the Porsche sports car among American enthusiasts. More specifically, this section examines the transmission of German culture through the consumption of the two most significant models of the Porsche sports car, the Typ. 356 and the 911, a process intensified by the activities of the PCA in addition to other enthusiast clubs.

A close examination of the Porsche sports car through its design, marketing, and the enthusiast community which consumed them, reveals the complex currents and counter-currents of cultural globalization in America over the course of the 1950s into the 1960s. Together these four sections illustrate how a European product was sold to American consumers as consummately European. At the same time, it also illustrates how that ostensibly European product was molded by the pressures of competing in the American market, and the ways in which this complex relationship was represented and refracted by the American enthusiasts who consumed them. This reveals the complex currents of cultural and economic globalization, and illustrates that America was not immune to the cultural transmission fostered through consumption as some histories of 'Americanization' assume. Lastly, this chapter examines the formation of transnational connections between German and American automotive enthusiasts through Porsche sports car

and the PCA, revealing a form of imagined community which was created around these products and connected individuals across both national and linguistic borders.<sup>180</sup>

Porsche noted the importance of the sports car and its unique position in the American market in 1952, indicated in its in-house periodical, *Christophorus*, intended for consumers and employees alike:

It is true that the leading German automakers have made representations in America, but it would be self-deception to promise more than a representation. The English example to be taught is that German industry is giving itself false hopes. The British automotive industry has made great efforts to make a foothold into the US in the aftermath of US traffic and parking problems, this seeming to be a chance for the European small car. The export has never reached substantial numbers, and besides some snobs who buy every automobile for pleasure, neither the English nor the experimentally exported German small cars have found serious buyers. Things are a bit different in the case of sports cars, for which there is a keen interest, especially since the few American sports cars are only more or less patched-together cars [i.e. homebuilt, or not mass produced by any major manufacturer], which also have a correspondingly high price. Porsche is forging ahead here. <sup>181</sup>

While similar to the small British sports cars that gained serious traction in the American market in the immediate postwar years, automotive exports from Germany were clearly distinct. Due to the exchange rate, relatively high labor costs, and labor-intensive construction, German manufacturers were simply unable to be price-competitive with most British sports cars. Therefore, they intentionally moved their products up market. To justify the additional expense, Porsche executives focused on the vehicles supposed technical quality, and later, as their foothold in the

<sup>&</sup>lt;sup>180</sup> For more on the concept of 'imagined community' see Benedict Anderson, *Imagined Communities: Reflections of the Origin and Spread of Nationalism* Revised Edition, (London: Verso, 2006).

<sup>&</sup>lt;sup>181</sup> Carl O. Windecker, "Offene und Geschlossene Märkte: Ein Kapitel Export-Probleme" *Christophorus* 1952. Porsche auf dem amerikanischen Kontinent, CRISTOPHORUS 1, 1952/54 Heft 1-10, Porsche Historisches Archiv, Stuttgart. Note on Translation: I am interpreting the word 'zusammengebastelte', lit. 'put together' to imply homebuilt/not mass produced, given the context of the document.

American market expanded, luxury. Therefore, differing strategies were adopted in their sales and marketing, many of which were built around German cultural tropes. This can be clearly seen in the 1951 English language brochure for Porsche, in which the first page focuses entirely on Porsche's prewar engineering heritage. 182 Their market position and focus also meant that the German brands were forced to keep their vehicles updated and modern to be competitive at their higher price-point. Porsche's competitive position in the American market would also be complicated by the emergence of cheap American-made performance vehicles. The dichotomy between the British cars that were increasingly seen as old-fashioned – an image compounded in the early 1970s by their struggle to comply with increasingly strict American safety and emissions legislation – and German sports cars, which appeared to be on the cutting edge of automotive engineering, further helped establish the stereotype of German automobiles' superior design and technical quality which had already begun to be built on the back of motorsports success in Europe.

The German sports cars coming to American buyers in the 1950s also benefitted from the cultural groundwork laid by the earlier British automotive imports. Firstly, clubs like the Sports Car Club of America had established a small, but rapidly expanding, fraternity of American enthusiasts of European cars. The SCCA and other regional European automotive clubs had also begun to build a network of amateur sports car racing events within the US; event which the SCCA would eventually take over entirely as they became the official sanctioning body for American amateur road racing. Therefore, prospective Porsche buyers would already have an established venue through which they could enjoy their new purchase in the manner in which it was intended, both on the road and the track. Furthermore, American consumers considering the purchase of a

 $^{182}$  "Porsche" Color Brochure, 1951. Accessed on 8/20/17 from http://coochas.com/brochures/Resources/356-1951.pdf.

Porsche sports car would have more of an opportunity to see them in action at local or regional amateur racing events. American consumers of German automobiles would also create their own exclusive clubs, like the Porsche Club of America, in the tradition of European single-marque clubs of the 1930s. Their group activities could then be tailored to cater to a more German cultural experience, or at least an American interpretation of it. This is illustrated by the annual American "Oktoberfest," and national "Porsche Treffen," or Porsche meeting, at which PCA members would stage their own European style driving events such as the road rally and gymkhana, before enjoying German beer and German food. The amount of enthusiast participation in these events and the discourse surrounding them in club periodicals — as well as the pulp automotive press more generally — reinforces the notion that sports cars were not culturally blank. Rather, these German sports cars served to transport aspects of the national culture that produced them to America and American consumers, a 'Europeanization,' of American consumers, which indicates that American culture was just as permeable to outside influences during this post-war period.

### 3.1 Identifying the Market and Means to Entry

As a brand Porsche was unique; it sought to build its entire identity around the superior performance and engineering of a small sports car. In fact, Porsche was so committed to this brand image that they would not design or build anything but small, sporty two-door coupes and convertibles until the late 1990s. Moreover, as evidenced from the quote that opened this chapter, Porsche targeted Americans as key consumers of their product from the beginning. This is further supported by a jubilant article from *Christophorus*, the official Porsche company periodical, in 1954, "...in the year 1953 no less than 680 cars will be exported to the USA, over 35 percent of the total production from [Porsche] Zuffenhausen! The USA, termed by Porsche, is export country

number one."<sup>183</sup> While 680 may seem like an incredibly small number when compared to the sales numbers from larger, more established domestic manufacturers, for Porsche it represented a significant portion of total production, and the number of vehicles exported would steadily grow. Perhaps more importantly, those 680 cars very clearly began the process of transporting elements of German automotive culture, as well as German culture in a more abstract sense, to American consumers. One needs to only examine the rapid growth of the Porsche Club of America (PCA), and the close ties between the Club and executive management at Porsche, Zuffenhausen (often referred to as 'the Factory' in contemporary documents) to see the deep influence of the Porsche sports car on American enthusiast culture, and the transnational connections forged between PCA members in the US, Porsche enthusiasts in Germany, and Porsche Factory executives. In many ways, it is Porsche enthusiasts and the PCA which demonstrate a more thorough globalization of American consumers than perhaps any other brand or organization, as the final section of this chapter will illustrate.

By focusing solely on the sports car market niche, Porsche avoided the common pitfalls of other European manufacturers like MG, which attempted to use sports cars to open the market for their other lines of production small cars. When European manufacturers looked to the US market in the 1950s most tended to concentrate on the mass market trends, which were towards medium-sized to large sedans that included luxurious optional equipment like automatic transmission. However, as one anonymous writer for *Christophorus* discovered:

One must revise the opinion that in the US only cars with automatic gearboxes have the right to exist when one reads the American automobile sport magazines, some of which have half a million copies, and in which European sports cars are

<sup>183</sup> "Americana" *Christophorus* (1954). Porsche auf dem amerikanischen Kontinent, CRISTOPHORUS 2 1954/54, Heft 11-19, Porsche Historisches Archiv, Stuttgart.

embraced. As far as our American sports car friends are concerned, they are even more enthusiastic about the matter than we are, and there are a lot more sports car races per season than in our country - pure amateur races by the way, which makes things particularly appealing. <sup>184</sup>

In fact, the rest of the article discussed the various victories of the Porsche 365 1.5L sports car as it appears in American enthusiast magazines, and included a translated report from one of the aforementioned enthusiast periodicals, *Autosport Review*. This supports Ferry Porsche's notion that American enthusiast publications were interested in the European racing scene, which itself demonstrates American interest in European road racing. Additionally, not only German manufacturers, but also German enthusiasts were paying attention to the rapid development of amateur sports car racing in the United States, a point of growing transnational connection among enthusiasts. Also implied is that the American races are of a similar type, which again points to the European sports car as a transmitter of a subset of European culture and a consumer product which helped to forge transnational connections among the enthusiasts who purchased them.

Just as was the case in postwar Britain, the need for stable foreign currency enforced an export-focused industrial policy, one that was implemented through the controlled provisioning of raw materials. While eventually the rationing would end, this forced Porsche from the outset to pay close attention to satisfying its potential export market. Porsche's posturing as a purveyor solely of fine sporting machines may strike the casual reader as slightly odd. Ferdinand Porsche Sr., is, of course, the same man who also designed the now infamous KdF Wagen, the "People's Car" for Nazi Germany, which would go on to become the utilitarian Volkswagen Beetle to American consumers. But in the inter-war period he had also designed racing cars for Auto Union,

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<sup>&</sup>lt;sup>184</sup> "Und so fahren unsere amerikanischen Sportfreunde" *Christophorus* (1952). Porsche auf dem amerikanischen Kontinent, CRISTOPHORUS 1, 1952/54 Heft 1-10, Porsche Historisches Archiv, Stuttgart.

a brand that would eventually grow into Audi, and his son, Ferdinand Anton "Ferry" Porsche always wanted to produce a sports car. After the war ended Ferry Porsche looked to turn his dream into reality, and due to the economic realities of postwar Germany, that meant focusing on America as the primary export market.

Porsche was also limited in terms of the materials at hand; Porsche would have to make use of Volkswagen parts, primarily the ones he and his father had designed such as the engine, transmission, and suspension. However, acquiring the raw materials and space necessary to produce even a small number of cars proved exceptionally difficult due to the nature of Allied occupation and industrial controls. Porsche's old factory in Stuttgart was being used by the American military authorities, and was therefore off limits. A further complication was that Volkswagen parts were in short supply, and any parts requisitioned had to be approved by Allied authorities. Porsche was not to be deterred, and set up a small production facility in Gmünd, Austria and turned to Volkswagen distributors abroad to get the parts he needed. Proving to be quite adept at negotiations within the turbulent administrative structures of post-war Europe, Ferry acted quickly when opportunities presented themselves, and: "entered into a contract with Herr von Senger for the supply of VW parts from AMAG and sheet aluminum from Switzerland. Authorization for the import of these materials had to be obtained from the government in Vienna. It was granted to us, on the condition that we sold all the vehicles we manufactured abroad, since Austria urgently needed foreign currency." This further focused Porsche on finding an export market, specifically America due to the valuable dollar.

<sup>&</sup>lt;sup>185</sup> Dr. Ing. h.c. Ferry Porsche & Gunther Molter, Ferry Porsche: Cars are my Life (Wellingborough: Patrick Stephens Limited, 1989), p. 153. Porsche Historisches Archiv, Stuttgart.

Thus, the Typ. 356 Porsche sports car was born. The vehicle itself was an amalgam of modified Volkswagen parts under a totally redesigned sleek coupe body made from light-weight aluminum. The air-cooled, VW-sourced engine displaced a miniscule 1.1 liters, and produced just 36 horsepower. What made the vehicle unique among other European sports cars was its rear mounted air-cooled engine. This meant that the powertrain was very light since it lacked the systems necessary for water-cooling, and the simplicity resulted in greater reliability in the sense that there were simply less things that could fail. Perhaps a sign of high confidence, "just three weeks after it was completed, it got a chance to prove itself at the Innsbruck City Race, marking the first demonstration of a Porsche 356." Racing, even at this early stage, was critical to the development of the Porsche sports car, and the clear lineage from racing machine to street vehicle would become one of the brand's defining features.

Correctly realizing that the United States was the one place where a niche vehicle like the sports car would have a good chance at finding consumers in the immediate postwar years, Porsche set about finding a way to break into the American automotive market. This was largely driven by Ferry Porsche, who understood that, "potential exports to European countries with strong exchange rates such as the United Kingdom, Switzerland, and the Netherlands, would not be sufficient for the long-term survival of the Porsche brand." He therefore specifically targeted the American market. As Karl Ludvigsen, an automotive journalist in the 1950s and later an independent automotive historian, argues in his massive three-volume compendium, *Porsche Excellence was Expected: The Comprehensive History of the Company, its Cars, and its Racing Heritage*, there were three distinct periods which encapsulate Porsche's engagement with the US market. These

<sup>186</sup> Dr. Ing. h.c.F. Porsche AG, *Porsche in America*, trans. Andrea Hiott, 8-9.

<sup>&</sup>lt;sup>187</sup> Ibid, 24-25.

periods are defined by Porsche's method of distributing vehicles to American consumers. The first period, from 1950 to 1958, is categorized by Porsche's relationship with Maximilian E. Hoffman as sole distributor for the American market. The second period, from 1959 to 1969 is defined by Porsche's attempt to work through multiple individual distributors to try and establish more control over its own importation, distribution, and dealership network. The third phase, from 1969 on, is defined by Porsche's decision to grant distribution rights in the United States to Volkswagen, which would establish a new "Porsche+Audi" division specifically to sell the cars. <sup>188</sup> This periodization is useful because it allows one to see Porsche, the company's, steps to increasingly direct involvement in the sales and marketing of its vehicles in the American market which is a microcosm of the complex processes of international business leading to postwar globalization.

# 3.2 Hoffman, Porsche, and Adaptation for the American Consumer

The path of the Porsche brand in America was initially dependent on one man, Maximilian E. Hoffman, the owner and President of Hoffman Motors Corporation. M.E. Hoffman was the same man who first brought Jaguar into the US market and was also involved in the importation of Fiat, and Alfa-Romeo. By the time of his first contract with Porsche in 1951 he was therefore already seen as a veteran of the automotive import distributor business. Because of his commanding position in the American market his input in those early days was very influential on model design, especially when he was essentially the gatekeeper for the American market. Therefore, Hoffman would play a significant role in initially adapting the Porsche sports car for an American audience, first through his control as distributor over ordering the cars for import, and later by exerting pressure on Porsche to produce a model specifically for the American market,

<sup>&</sup>lt;sup>188</sup> Karl Ludvigsen, *Porsche Excellence was Expected: The Comprehensive History of the Company, its Cars, and its Racing Heritage* Volume II (Cambridge: Bentley Publishers, 2003), 497.

the Speedster. However, even after Hoffman was removed and Porsche changed distribution tactics, they still kept a close eye on the American automotive market, which led to the development of the 'Sportomatic' automatic transmission in 1968, a concession to American market trends.

Max Hoffman excelled at reading the automotive market trends in the United States, especially in the niche market of European sports cars, which is why he was initially selected by Porsche to be their American distributor. The importance of recognizing these trends was not lost on German manufacturers and even the German automotive press, which noted that, "just as an automobile factory with a single misconstruction can lose its good name for years, the products of a whole country may be discredited when gross errors or the peculiarities of a market are not intelligently recognized." The 'peculiarity' of the US market in this case was that while European sports cars would sell well, often with limited marketing effort, their other offerings — usually small to mid-size sedans — would not. Rather than expend marketing resources on what appeared to be a lost cause, Hoffman focused instead on what he knew would sell well to American consumers, the sports cars, and urged Porsche, to create them, or modify their current offerings to appeal to American consumers.

However, the glowing representation of Hoffman as visionary importer presented in corporate histories and public histories tends to jar with the very shrewd and risk-averse Hoffman that emerges from Porsche, and later BMW, archival documents. Hoffman was ultimately not interested in growing a foreign brands' image within the United States, or in significantly expanding their market share. Rather, he was content to sell performance cars, primarily to sports

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<sup>&</sup>lt;sup>189</sup> Carl O. Windecker, "Offene und Geschlossene Märkte: Ein Kapitel Export-Probleme" *Christophorus* (1952). Porsche auf dem amerikanischen Kontinent, CRISTOPHORUS 1, 1952/54 Heft 1-10, Porsche Historisches Archiv, Stuttgart.

car enthusiasts in the US, people who didn't need to have the car sold to them by an expensive marketing campaign, but who would actively seek out the opportunity to purchase a foreign sports car and usually pay a premium. Thus, despite his role in establishing Porsche as a brand in the American market he would eventually be relegated to East Coast imports, before finally being removed from the distribution network entirely.

When Hoffman began selling Porsche cars in 1951, he chose to import only variants of the Typ. 356 with the larger 1.5-liter engine, an increase in displacement from the 1.1 liter engine offered to European customers. Hoffman understood that American consumers who faced none of the taxes on engine size that had molded the sports car in the 1920s and 1930s, enjoyed plentiful supplies of cheap, high-octane gasoline, and were in the market for a performance vehicle would inevitably choose greater power over economy. The increase in displacement from 1.1 to 1.5 liters increased the power output significantly to approximately 60 horsepower at 5,000 rpm. The larger engine was still rather small by American standards, however, the weight of the Porsche Typ. 356, roughly 1,800 pounds, was quite low, which gave the vehicle balanced performance in the European tradition. 190 This was true even including the other key difference separating the prototype cars from the production models: the bodywork was now steel, made by Reutters – a sacrifice necessary to increase production while keeping down costs – rather than the hand-formed aluminum panels of the Austrian prototype cars. Despite its obvious differences from other European sports cars like the Jaguars and MGs, the Porsche Typ. 356, due to its light weight and small, high revving 4-cylinder engine, would ultimately feel very European when driven by American consumers.

<sup>&</sup>lt;sup>190</sup> Karl Ludvigsen, *Porsche Excellence was Expected*, 70/71.

To appeal to a broader swath of enthusiast consumers, and to make the most of the single sports car model Porsche offered, Hoffman, on his own initiative, created two quasi-models of the Typ. 356 by pre-selecting certain options from the list Porsche offered; a tactic made possible by his position as distributor which gave him total control over Porsche imports and ordering for American customers. For American consumers looking for primarily for Porsche performance without such a hefty price tag, Hoffman imported what he called the '1500 America'; a Typ. 356 equipped with the 1500cc Normal engine which produced 55 horsepower, cloth covered seats, and lacking a radio, climate control (heater), metallic paint, adjustable-back passenger seat, the passenger's sun visor, the folding back for the rear seats, and aluminum door panels. 191 For those looking for a more luxuriously equipped sports car for touring, Hoffman offered the '1500 Super'; a Typ. 356 equipped with the 1500 Super engine, a variant that had different carburetors, camshaft, crank shaft, and other internal parts and therefore produced more power, between 60-70 horsepower, and also included all of the options that were removed from the 1500 America. 192 The tactic proved effective, the America model cost \$3,445 for the coupe, and \$3695 for the cabriolet compared to \$4,284 for the Super coup, and \$4,584 for the Super in cabriolet form. However, even the lower price of the Typ. 356 America still put the Porsche at the high end of the sports car spectrum in the American market, so Hoffman felt a new offering was required.

By 1953 it was clear that competition in the sports car market would be fierce, and that Porsche, still quite new to the American market and lacking an established brand image, would have to take more drastic action if it wanted to expand sales volume. Therefore, Hoffman urged

<sup>&</sup>lt;sup>191</sup> Dr. Ing h.c.F. Porsche A.G., "Anlage 1" Attachment to "Sketch" Draft Letter between Hoffman Porsche Inc. and Dr. Ing h.c.F. Porsche AG, 1952. Abt. RW (Rechtswesen), Bestand Vertrieb/Marketing 5b, Porsche Historisches Archiv, Stuttgart.

<sup>&</sup>lt;sup>192</sup> Karl Ludvigsen, *Porsche Excellence was Expected*, 85. Note: The horsepower figure is disputed, Ludvigsen's works states 60, Dr. Ing. h.c. Ferry Porsche & Gunther Molter, *Ferry Porsche: Cars are my Life*, 198 states 70. The actual figure is no doubt variable within this range given the nature of the vehicle's production.

Porsche to produce a new car, one that would be directly competitive with sports cars at the lower end of the spectrum, cars like the British Triumph TR2, MG, Austin-Healy, and the new American sports car, the Corvette. With Hoffman's idea supported by west coast distributor John von Neumann, and the pressure that both distributors were able to exert considering that, in Ferry Porsche's own words, the "most important overseas market was America," Porsche responded with the Speedster, a low coast roadster. 193 The Speedster, while retaining its unique Porsche engineering and design heritage, was also more in-line with the British roadster sports car model currently reigning supreme in the American market. The Speedster was a 356 cabriolet with new body panels that covered the area where the rear seat used to be, and fitted with a low windshield and canvas top. Power came from either the 1500 Normal engine, or, for \$500 extra, the 1500 Super engine. The car was specifically designed for the American market and American enthusiast consumers, as Ludvigsen notes, "The emphasis was on acceleration to suit American driving and racing conditions, enhanced by special gear ratios and light weight. Weighing 1,750 pounds at the curb, the Speedster was some 80 pounds lighter than other Porsches." The price of the Speedster was \$2,995 from Hoffman, or an even more affordable \$2,550 if delivery was taken in Europe, although this low advertised price was made possible by listing as optional two pieces of equipment which actually came on every Speedster regardless, the tachometer and the heater.

Hoffman's hunch proved correct, and the comparatively 'cheap' Porsche was a resounding success garnering significant praise from American enthusiast magazines, and not simply for its price. *Sports Cars Illustrated* called the Speedster optional 1600cc engine, introduced in 1956, "one of the most significant technical accomplishments of our time." <sup>195</sup> This glowing

193 Dr. Ing. h.c. Ferry Porsche & Gunther Molter, Ferry Porsche, 197. Porsche Historisches Archiv, Stuttgart.

 <sup>&</sup>lt;sup>194</sup> Karl Ludvigsen, *Porsche Excellence was Expected*, 91.
 <sup>195</sup> "SCI tests the Porsche Speedster 1600" *Sports Cars Illustrated* Vol. 1 No. 12 (1956): 14.

pronouncement was earned primarily due to the Speedsters balanced handling qualities, "you can wag its tail and get through short, tight-radius turns with amazing nimbleness and speed," and its ride quality, "In common with the ride of many continental cars..." The Speedster was clearly able to retain the kernel of European sporting authenticity that appealed so much to the American enthusiasts who bought them; despite the creation of a model solely to appeal to Americans, and the slightly dishonest advertised price, the Speedster was still very much a European sports car and therefore found its way into the garages of many American enthusiasts. Just as Americans were influenced by European sports cars; the case of the Speedster indicates that European manufacturers and their products were not untouched by the American market and American consumers. While there is no direct evidence that Porsche looked at the British competition while designing the Speedster, the influence of the popular two door, two seat, cheap roadsters cannot be overlooked in the final product. Furthermore, it is indicative of the level of power held by the independent distributors, in this case Hoffman and von Neumann, in the early phase of European automotive manufacturers expansion into the American auto market.

The Speedster was a short-lived vehicle, only in production from 1954 to 1958. Upon learning of the Speedster being phased out of production and replaced by the 356 "Convertible D," one American enthusiast would write in 1958, "I bought my Speedster (I also have a coupe) because it was the nearest thing to what I wanted, but now I find that the already too fancy Speedster is to be supplanted by wind-up windows and any day now we will look for an automatic transmission, push-button windows, air-conditioning, mechanical steering aids and other appeals to the old ladies." Clearly the Speedster satisfied an enthusiast demand, yet its phasing out after

<sup>196</sup> Ibid, 16-17.

<sup>&</sup>lt;sup>197</sup> Gerald T. White "Letters to the Editor" *Porsche Panorama* Vol. 3 No. 10 (1958). PORSCHE PANORAMA 1958, Porsche Historisches Archiv, Stuttgart.

only four years of production demonstrates that the effect of the Speedster on broader Porsche design trends would be quite minimal. The Porsche brand, despite Hoffman's influence during his years as primary distributor for most of the United States, was never intended to be a cheap sports car along the lines of the MG or Triumph. Indeed, Porsche wanted to compete within the upper echelons of the sports car market alongside the Jaguar X-120 and later American competition such as the Chevrolet Corvette. The stripped-down Speedster was a compromise to fit a market demand and increase sales volume in the early days of Porsche in the American market, when Porsche had little brand recognition among American enthusiasts and simply needed to get more cars into the hands of American consumers. The other Typ. 356 variants, as well as the successor to the Typ. 356 – the now infamous 911 – would cement the position of Porsche sports cars as premium models in an increasingly crowded niche market. As one reviewer for an American enthusiast magazine wrote, "Those who feel Porsches are too expensive should give one a careful looking over to realize the amount of value received." 198

A much larger concession to the American market came with the offering of an automatic transmission in 1968, long after Hoffman had moved on from Porsche distribution, and after the introduction of the Typ. 356's successor model, the 911. Market trends had clearly established by 1962 that American consumers were beginning to buy Porsche sports cars for reasons other than European performance. As Porsche distributor and dealer John von Neumann noted in an interview in *Daily Pilot*, "We used to sell Porsches principally to people who wanted to race them. Now – even though Porsche still wins more racing championships than any other make of car – our biggest buyers are engineers. And right behind them are doctors and dentists…" 199 Indeed the source itself,

<sup>198</sup> Stephen F. Wilder, "SCI Road Test: Porsche" Sports Cars Illustrated Vol. 3 No. 11 (1958): 65.

<sup>&</sup>lt;sup>199</sup> "More Orders Than Cars: Porsche Sets No Records" *Daily Pilot*, October 10 1962. Bestand Dokumentation Firma, Vertrieb USA, Porsche Historisches Archiv, Stuttgart.

the *Daily Pilot*, is indicative of Porsche's expansion beyond the strictly enthusiast market; the *Daily Pilot* was a regional newspaper for Orange County, California, an affluent area where many of the new target customers, doctors, dentists, and engineers worked and lived. Essentially, the market was changing as Porsche's successor model to the Typ. 356, the 911, expanded Porsche's core market from European performance enthusiasts to include wealthy consumers interested in the prestige that came from owning an expensive foreign marque with a European pedigree.

The changing demographics of Porsche ownership in the 1960s meant that, just as it had with the Speedster in the 1950s, Porsche would have to make some concessions to increase the brand's appeal in America, now its largest single market. Entering production for the 1968 model year, the 'Sportomatic' was a typically German (or European) response to the demands of the American market; it was a compromise which aimed at retaining the kernel of European performance authenticity while still satisfying American consumer demand. The Sportomatic transmission was not a true automatic, but rather an automated manual. The distinction is critically important; an American automatic transmission was fully automatic, meaning the driver had only to put the selector in the drive position and would not have to touch the selector again until he or she needed to park or reverse. The Sportomatic on the other hand eliminated the need for a driveroperated clutch, but one still needed to move the gear selector between the four forward gears – the same as with a traditional manual transmission – to drive the vehicle. This compromise was born out of the worry that an automatic in a Porsche would "dilute the pure, sharp image of the car... It was not easy to shrug off the lesson of the Corvette, which started out with naught but an automatic and had to struggle painfully to gain recognition as a legitimate sports car."200 This also indicates just how closely Porsche was paying attention to the American market, and further that

<sup>&</sup>lt;sup>200</sup> Karl Ludvigsen, Porsche Excellence was Expected, 388.

they understood a critical aspect of the 911's appeal to American consumers was the vehicle's ties to a European sporting heritage.

The risk of losing legitimacy therefore better understood by viewing a sports car's 'European-ness' as an amalgam of driving experiences typically associated with the European sports car. A significant part of this European driving experience, at least as many Americans believed, was the manual transmission which required both skill and experience to drive smoothly and quickly. For many American enthusiasts the ability to drive a manual transmission well helped set them further apart from other, mainstream American drivers. Indeed, until the model year 1968 Porsche 911, no European production sports car had been sold with an optional automatic in any market. Therefore, Porsche's fear of a negative public response to the release of an optional automatic transmission was certainly not born out of paranoia. This was a fact clearly demonstrated by one of the first reviews of the Sportomatic in an American enthusiast magazine which began, "Putting an automatic transmission in a Porsche is like artificial insemination: It's no fun anymore."<sup>201</sup> Even the official magazine of the Porsche Club of America, *Porsche Panorama*, which typically could be counted on to run a full article on any major new Porsche development, was uncharacteristically muted when it came to the Sportomatic, giving it three small paragraphs in their November 1967 issue but no full article in all of 1968. 202 Given this context it is somewhat ironic that the Sportomatic was better received in Europe, where the manual transmission dominated sales in cars of all types, than it was by enthusiasts in America. As the English enthusiast magazine Autocar noted in a 1969 road test, "Sportomatic, then, is a good compromise,

<sup>&</sup>lt;sup>201</sup> Bob Kovacik, "Driving the Porsche 911 Automatically" Sports Car Graphic, Vol. 8 No. 3 (1968): 16.

<sup>&</sup>lt;sup>202</sup> "1968 Porsches" *Porsche Panorama* Vol. 12 No. 11 (1967): 5-6. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

whether in heavy traffic or on long cross-country journeys... In open country, so good and well-coordinated is the change that there is every incentive to match ratios to conditions."<sup>203</sup>

As this section has demonstrated, Porsche products were always influenced by American market trends, and in fact they were never as purely German, or even European, as they were perceived to be by the Americans that consumed them. However, at the same time it is important to note that Porsche sports cars were never dominated by American market trends either; it was a fine line that Porsche was able to navigate. Porsche was able to retain the core of authenticity that satisfied their American enthusiast demographic, as well as adding features like the automatic transmission, and later air conditioning, which helped broaden the car's appeal.

A perfect example of the complex nature of market influence on the design process—and how Porsche was able to retain European authenticity in their products—is the creation of the successor model to the Typ. 356: the 911. While press coverage in American enthusiast magazines was still overwhelmingly positive, by 1958, as one reviewer noted, "It's very hard to write a road test on a car which has remained essentially the same for so long..."<sup>204</sup> The push for a new product came from America, and due to fears that the market for small, 2-seater sports cars was nearing capacity, voices within the company called for the Typ. 356's replacement to be a true 4-seater. While not directly referenced this is no-doubt based on the fact that by 1958 Porsche would have seen Chevrolet's Corvette struggle to gain significant volume sales while at the same time Ford's Thunderbird, which gained a rear seat and room for four adults in the 1958 model year, exceeded sales goals.<sup>205</sup>

<sup>&</sup>lt;sup>203</sup>"Autocar' tests the Porsche 911E" *Porsche Panorama* Vol. 14 No. 1 (1969): 11. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

<sup>&</sup>lt;sup>204</sup> Stephen F. Wilder, "SCI Road Test: Porsche" Sports Cars Illustrated Vol. 3 No. 11 (1958): 65.

<sup>&</sup>lt;sup>205</sup> Douglas Brinkley, *Wheels for the World: Henry Ford, His Company, and a Century of Progress* (New York: Penguin Books, 2003), 563.

However, the final design of the 911 selected for production was not a four-seat vehicle. While carrying-over certain styling cues from the Typ. 356, namely the look of the front of the car with its distinctive round headlights in prominent fender bulges, the sleek look of the new 911 represented a bold step into the styling cues of the 1960s. As Bernard Cahier – a highly regarded automotive journalist writing for *Sports Car Graphic* – would write at the 911's launch in 1964, "The 911 bears a definite family resemblance with the current production Porsche [Typ. 356], and yet its lines are quite different... the car has a longer, lower look. The slim wrap around bumper emphasizes the fast, clean lines of the car..." Although American consumers represented well over half of Porsche's market for new cars at the dawn of the 1960s, the 911 eschewed design fads prominent in American cars of the period. The 911 used little chrome on the outside of the car, having just thin strips of it around the windows and on the bumpers to highlight the flowing lines, and lacked the tail fins that were emblematic of American cars of the period.

The ultimate death of the four-seat Porsche, despite all indicators pointing to its probable success in the American market, is a decision which has perplexed automotive historians. Ludvigsen, in *Porsche Excellence was Expected*, argues that this was largely due to the compartmentalization of the German automotive industry, a relic of the cartel system which defined industrial organization in Germany in the interwar period and survived despite Allied controls in the immediate postwar years. He notes that until the introduction of the Opel Kadett as a direct Volkswagen competitor, the "alignment was clear: Volkswagen built the cheap cars; Mercedes-Benz the expensive ones; Ford and Opel the middle-class cars; Borgward (and later BMW) offered alternatives in the upper-middle class; and Porsche built the sports cars."<sup>207</sup> In this

<sup>206</sup> Bernard Cahier, "Road Test 1/64: Porsche 911" Sports Car Graphic Vol. 4 No. 9 (1965): 41.

<sup>&</sup>lt;sup>207</sup> Karl Ludvigsen, *Porsche Excellence was Expected*, 340.

light the death of the four seat Porsche would be seen as a deliberate decision taken to preserve the established order among the cartel of German automotive manufacturers.

While initially compelling, this explanation is undercut by more recent trends in the historiography of German industry. Historian Gary Herrigel's work, *Industrial Constructions: The Sources of German Industrial Power*, pushes for a new understanding of postwar German industrial order, what he terms the decentralized industrial order. This system of industrial organization, characterized by small to medium sized companies, "utilizing the local reservoir of skilled labor and flexible small suppliers to maintain competitiveness," fits Porsche's business model quite well and explains why Porsche would have eschewed a cartel-type arrangement, especially in the beginning of the 1960s.<sup>208</sup> Furthermore, Ludwigsen's argument is not supported by Ferry Porsche's autobiography, in which the death of the full four-seat Porsche, a story told in a mere few paragraphs, is framed as the result of an internal struggle which resulted in styling dictating function.<sup>209</sup>

An explanation this author finds more compelling is that Porsche, outside of its activities in European racing, was a conservative company and cautiously protected its budding brand image, especially in a market as crucial as the United States. This observation is supported by the fact that the same basic design stayed in production from the Gmünd coupes in 1949 to the final production year of the Typ. 356 in 1965. Certainly, there were many updates to the vehicles' chassis, suspension, and some modifications were made to styling elements but if one were to put the two cars together their relation would be unmistakable.

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<sup>&</sup>lt;sup>208</sup> Gary Herrigel, *Industrial Constructions: The Sources of German Industrial Power* (Cambridge: Cambridge University Press, 1996), 144.

<sup>&</sup>lt;sup>209</sup> Dr. Ing. h.c. Ferry Porsche & Gunther Molter, Ferry Porsche, 204.

Furthermore, the early 1960s were a pivotal period for Porsche, not only were they introducing a new model, a first for the company, but they were also changing their distribution system in America. Porsche had begun the process of taking a more direct role in the importation and distribution of its sports cars as early as 1957, indicated by a letter to the Baden-Würtemburg Ministry of Economic Affairs (Wirtschaftsministerium) in which the formal request to open a US based subsidiary was filed. The Porsche of America Corporation was founded as the main importer of the cars and spare parts; however, distribution and the establishment of American dealerships was split into geographic regions. Essentially Porsche divided the American market into multiple distributorships with their own American organization at the head, rather than have Hoffman in charge of all American distribution. Hoffman's last year at the helm of Porsche distribution in the United States was 1959 and, despite the eventual superiority of this arrangement for Porsche and their American consumers, it would take a few years for POAC and the new regional distributors to function well together at the national level. This is indicated by the failure of national-level marketing as noted by one disappointed Porsche enthusiast in 1960:

Porsche of America and Porsche dealers should hang their heads in shame at the miserable Porsche display at the International Auto Show at New York's Coliseum, April 16-24 [1960]. About half a dozen cars were stuck on one side of the second floor without any promotion or display except a few enlargements of the emblem tacked on columns nearby... The general stodginess of the exhibit and lack of salesmanship and promotion, was exceeded only by Ferrari—and even they had the hoods open so you could see the powerplants. Isn't it a bit presumptuous of the factory, Porsche of America, and distributors and dealers, to expect PCA to carry almost the entire load of creating good will and promoting Porsches?<sup>211</sup>

<sup>210</sup> Firma Dr.Ing.h.c.F. Porsche K.G., Letter to Wirtschaftsministerium Baden-Württemberg, 30. Januar 1957. EA 6/201 Bü 3305, Landesarchiv Baden-Württemberg, Hauptstaatsarchiv Stuttgart, Stuttgart.

<sup>&</sup>lt;sup>211</sup> Paul R. Heinmiller, "Letters to the Editor, What a Show" *Porsche Panorama* Vol. 5 No. 5 (1960): 14. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

Therefore, with the new model coming at the same time as a major change in their American distribution and sales framework, Porsche eschewed a potentially greater volume of sales to establish a cohesive brand image built on a very particular construction of European style and performance.

### 3.3 Marketing European Performance to American Consumers

While the contract with Hoffman was a logistical necessity in getting the Typ. 356 to American consumers, the publicity which perhaps contributed the most in terms of pushing the Porsche brand across the Atlantic in more significant volume was a result of Ferry Porsche's decision to enter the Typ. 356 in the Le Mans 24 Hours Race in 1951. It was a decision made even more significant internationally because Porsche was the first German manufacturer to do so in the postwar period. The endurance race at Le Mans had, by 1951, a storied past, and most critically, well established international significance among a wide audience of automotive enthusiasts, both European and American. Despite the destruction of three cars in testing before the race even began, the Porsche Typ. 356 not only finished the grueling event, but won its class and finished twentieth overall, a promising result for a small company's first effort at the demanding endurance race. As Ferry Porsche noted in his autobiography:

This success also made us internationally known and people began to follow our development closely, particularly in the specialist publications... There was no doubt, however, that the press reports that followed our motor racing successes reached the section of the public likely to consider buying one of our cars... Thus it was clear from the beginning that we had to carry on with the motor racing.<sup>212</sup>

<sup>&</sup>lt;sup>212</sup> Ibid, 165/166.

While not explicit, "internationally known," refers in large part to the growing enthusiast community and its associated popular press in America, a market that could provide not only a much-sought source of stable foreign currency, but also a potentially vast base of new consumers. It is also worth noting that, as with any work of life writing, there is likely quite a bit of hindsight evidenced here. Be that as it may, the victory at Le Mans in 1951 certainly granted Porsche the kernel of "sporting" authenticity that would appeal to American enthusiast consumers. Furthermore, the Porsche sports car would be a direct beneficiary to technical developments by the Porsche factory racing team, and therefore would be seen, with help from strategic marketing and brand posturing, as the leading edge of technical development in the sports car market. This was an image boosted by importer Hoffman's decision to provide one of the first Porsche Typ. 356 cars in the United States to popular American amateur racer Briggs Cunningham, who would drive the vehicle to victory in several amateur races organized under the auspices of the Sports Car Club of America. 213 The supremacy in motorsport displayed by the Porsche at all levels of racing developed the brand image of engineering and technical excellence that would lead American consumers who wanted advanced sports car on the market to purchase a Porsche.

The growth of Porsche popularity in America is both evidenced and influenced by the negotiations and ever-increasing import quantities that lead to a revised General Importer contract with Hoffman in 1954. One of the major points of contention, exposed in a letter between the two men, was that Porsche wanted Hoffman to "increase the number of your agencies within the western states. To appoint a good consolidated and representative firm as central agency for the western states residing in Los Angeles. Highly important to us is the introduction of our cars in

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<sup>&</sup>lt;sup>213</sup> Dr. Ing. h.c.F. Porsche AG, *Porsche Clubs Worldwide*, trans. Colin Brazier (Stuttgart: FIND Druck and Design GmbH & Co. KG, 2012), 92. Porsche Historisches Archiv, Stuttgart.

Hollywood."<sup>214</sup> Ferry Porsche's desire to have a more prominent sales organization in the western half of the US was multifaceted. Firstly, California, specifically southern California, was emerging in the early 1950s as a major hub of American automotive culture, perhaps not a surprising development in a region with an established pattern of investment in auto-mobility.<sup>215</sup> Secondly, Porsche wanted to use the marketing potential of Hollywood celebrities being seen driving Porsche sports cars to enhance the image of his cars, adding a dose of glitz and glamour to popularize the Porsche sports car beyond the enthusiast market obsessed with racing and automotive sport. However, Hoffman was not amenable to the idea, wishing to retain complete control over Porsche distribution in the United States. Writing in a letter to Hoffman almost a year later – illustrating Hoffman's extreme opposition towards the idea – Porsche states:

My proposal to envisage a subsequent division of the territory of the United States into East and West, depending on the development of things, as is the case with all the other European automobile distributors, results from the simple consideration that concentration of your work on the strong East of the country is more profitable for you, while I still have no way of making sales in the West possible for you to be organizationally viable and profitable...<sup>216</sup>

In the end Porsche got his wish; in 1952 a Los Angeles based dealer and distributor lead by James von Neumann became the western distributor for Porsche, Porsche Car Distributors, Inc. Neumann himself was a foreign sports car enthusiast and raced a Porsche, known locally as the 'No. 3 Roadster' in Cal-Club and Sports Car Club of America events.<sup>217</sup> While Neumann's racing antics

<sup>&</sup>lt;sup>214</sup> Dr. Ing. h.c.F. Ferry Porsche, "Sketch" Draft Letter to M.E. Hoffman, 1952. Abt. RW (Rechtswesen), Bestand Vertrieb/Marketing 5b, Porsche Historisches Archiv, Stuttgart.

<sup>&</sup>lt;sup>215</sup> For more on California and public policy support of the automobile see Scott L. Bottles, *Los Angeles and the Automobile: The Making of the Modern City* (Berkeley: University of California Press, 1987).

<sup>&</sup>lt;sup>216</sup> Dr. Ing. h.c.F. Ferry Porsche, Letter to M.E. Hoffman, October 13, 1953. Abt. RW (Rechtswesen), Bestand Vertrieb/Marketing 5b, Porsche Historisches Archiv, Stuttgart.

<sup>&</sup>lt;sup>217</sup> "Meet Porsche Car Distributors, Inc." *Porsche Panorama* Vol. 6 No. 10 (1961): 11. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

were certainly beneficial in introducing the Porsche sports car to enthusiasts in the western US, by insisting on the establishment of a West Coast based distributorship Porsche enhanced the brand image of his sports cars, which, as he intended, proved quite popular among American actors. This connection to a growing class of social elites, in combination with Porsche's racing connections, promoted by continuing factory involvement in European road-racing as well as increasing adoption by enthusiasts in local amateur racing, gave the Porsche brand a consistent and hard to emulate image that was distinctive among other German and European automotive brands attempting to build their export market in the United States.

The success of this tactic is demonstrated by American consumers who justified the high cost of their Porsche vehicles by recalling the established racing heritage of the brand in European motorsport. Racing had been a key aspect of Porsche vehicle development as Ferry Porsche himself explained in an interview for *Automotive News*, 1960:

'We Get a great deal of experience from our racing activity,' he [Ferry Porsche] explained. 'But we're not like Ferrari. We pick up information and put it into our production cars. Racing is a good way to experiment with production cars, we think. Americans get the same kind of experience on their proving grounds as we do in racing, except that when my engineers go to a race they have more enthusiasm. It's just like during the war—more progress is made than in years of peace because there is competition.' 218

This translated directly into sales success, at least for one American amateur racing driver and Porsche enthusiast Paul Romano, for whom the vehicle's driving attributes were enough to justify the cost: "I have stuck to Porsches because I consider Porsche the finest road and competition automobile in the world today. Its gearing, brakes, cornering and acceleration make driving a lot

<sup>&</sup>lt;sup>218</sup> "Porsche Faces Corvair, Front Wheel Drive" *Porsche Panorama* Vol. 5 No. 10 (1960): 4, reprinted with permission from *Automotive News*, August 22, 1960. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

of fun and an exciting experience."<sup>219</sup> The reasons for owning a Porsche are perhaps most fully stated by notable enthusiast – and later marketing manager for Porsche of America Corporation – Bill Sholar, who wrote in 1960:

Why do we drive Porsches anyway? Not for prestige although some will still argue that the sports car is a prestige car in America—but for the pure joy in its performance, its appearance, and, if you will, the glamour of its history of quality and integrity, two characteristics which are fast disappearing from the American auto market... There are enough adults in PCA who want to match European attitudes toward engineering and research of fine cars with corresponding maturity in driving and maintaining those cars. <sup>220</sup>

The Porsche car's 'history,' meaning its racing prowess beginning with the first major victory at Le Mans in 1951, and 'integrity,' referring to the vehicles unabashed pursuit of handling and driving pleasure, gave the Typ. 356, and therefore the Porsche brand, its identity to American enthusiasts. As Sholar indirectly argues, these vehicles contributed to the transference of European attitudes towards engineering and performance from European automakers to American consumers. This sense of cultural authenticity further helped many American consumers justify the high initial cost of purchasing what was, at least to outside observers, one of the odd little "foreign cars" from Stuttgart.

Over the course of Typ. 356 production. Porsche used the marketing provided by winning races, along with a small internal public relations department, the salesmanship provided by Hoffman, and the growing subculture of amateur racing in the United States, to dramatically expand international sales. In 1952 Porsche exported 21% of its total production of Typ. 356s to

<sup>&</sup>lt;sup>219</sup> Bruce Jennings. "The Champions Speak" *Porsche Panorama* Vol. 6 No. 1 (1961): 8. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

<sup>&</sup>lt;sup>220</sup> Virginia Sholar, "Where do we go from Here?" *Porsche Panorama* Vol. 5 No. 2 (1960): 14. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

the United States, but by 1965, the last model year of Typ. 356 production, that ratio had soared to 74.6%. 221 Not only was that ratio of vehicles higher, but total production had increased as well. To further illustrate the rapid growth of the Porsche company, "In 1949 there were 9 salaried and 3 hourly paid employees of Porsche. The total employment at the end of 1959 was 1,093, of which 442 were salaried employees and 651 hourly paid employees." Even with the growth of the company, Porsche made sure not to lose the kernel of European cultural authenticity that came from small-batch production and appealed so intensely to American consumers. John von Neumann, president of Porsche Car Distributors Inc., said in an interview for a brief article for the *Daily Pilot*, "The Porsche factory is small and family-owned... but it will always produce hand-crafted cars in low volume. Porsche will not risk losing control of quality." Porsche had emerged on the international stage as a force in European racing and had successfully parlayed that into also becoming a well-known foreign manufacturer in the American sports car market.

### 3.4 Porsche Club of America

The increasing presence of Porsche and its cultural significance in the American market is indicated by the foundation of the Porsche Club of America (PCA) by Virginia based enthusiast William "Bill" Sholar in 1955. The Porsche Club of America (PCA) initially began as a way of Porsche owners to share maintenance tips, spare parts data or availability, and camaraderie. However, by the early 1960s it had expanded into a full-fledged enthusiast club, complete with annual and semi-annual meetings called "Treffens" – named after the German language word for

<sup>&</sup>lt;sup>221</sup> Dr. Ing. h.c.F. Porsche AG, *Porsche Clubs Worldwide*, trans. Colin Brazier, 95.

<sup>&</sup>lt;sup>222</sup> "Factory Facts and Figures" *Porsche Panorama* Vol. 5 No. 2 (1960): 11. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

<sup>&</sup>lt;sup>223</sup> "More Orders Than Cars: Porsche Sets No Records" *Daily Pilot*, October 10 1962. Bestand Dokumentation Firma, Vertrieb USA, Porsche Historisches Archiv, Stuttgart.

meeting –, annual and semi-annual trips to Germany in addition to other regional events, and a national monthly publication, *Porsche Panorama*. These events created a sense of community among owners, who referred to themselves as 'Porsche-pushers,' even though they may have been vastly separate geographically. Importantly, one had to own (or co-own) a Porsche vehicle to be an active member of the club, and this kept the club's activities tightly focused around the Porsche car and German automotive culture. <sup>224</sup> Porsche's expanding consumer base also expanded the membership of the Porsche Club of America which served to magnify the German cultural heritage of the vehicle and its transmission to American consumers.

While ceding much of the control over the marketing of the Porsche sports car in the American market to Hoffman and his import-distributor company in the critical initial years of 1951-1959, the Porsche company nevertheless sought ways in which to build positive market presence. For this reason, during the formative years of the 1950s and 1960s, the Porsche factory maintained close contact with its official clubs at the national level, which was the PCA in the United States. This was accomplished primarily through "Huschke" von Hanstein (Fritz Sittig Enno Werner von Hanstein), a German racing driver and Chief of Porsche's racing department and public relations department, and Richard von Frankenberg, a Porsche team racing driver, journalist and chief editor of Porsche's magazine, *Christophorus*.<sup>225</sup> The two men would travel between the US and Germany frequently, engaging with American enthusiast consumers in both locales and reinforcing not only the technical superiority of the car, but also the sense of community between the Porsche personnel and consumers.

<sup>&</sup>lt;sup>224</sup> Porsche Panorama Vol. 3 No. 10 (1958). PORSCHE PANORAMA 1958, Porsche Historisches Archiv, Stuttgart. <sup>225</sup> Dr. Ing. h.c.F. Porsche AG, *Porsche Clubs Worldwide*, trans. Colin Brazier, 15.

"Huschke" von Hanstein played a crucial role in helping the Porsche sports car transport German automotive culture to America by establishing the first "Driving School," an event following the Sebring Road Race in 1956 that was attended by several "PCAers," – a self-given term for members of the Porsche Club of America – in addition to many other sports car enthusiasts in the United States. Despite relatively little publicity, "since the sports car drivers in America represent a similarly conspiratorial community like us, the rumor of the Porsche driver school was quickly known... and on the scheduled date no less than 300 sports car enthusiasts arrived with their own vehicles." <sup>226</sup> This demonstrates two important factors in the spread of European automotive culture. Firstly, American enthusiasts, despite the geographical distance that may have separated members, were a reasonably close-knit group and shared information rapidly through the enthusiast magazines and club newsletters. Secondly, this demonstrates that enthusiasts were willing to travel great distances to share in the experience of using their sports cars 'as intended,' in this case meaning to find the cars' limits of performance and test their individual skill as drivers. As the jubilant *Christophorus* article noted, "This sporty driving school was the first event of its kind in America and, as the unexpectedly high number of participants showed, attracted the strongest interest. The Porsche company hopes to make a further contribution to the ever-growing idea of the sports car in the USA in general and for the popularity of German vehicles in particular."227 Important to note here is the acknowledgement of explicit factory support in the spread of European sports car culture to Americans. While the overall goal was certainly a simple one to sell more cars, the cultural baggage attached was embraced; no effort was made to strip the European sports car of its cultural heritage. To the contrary, factory support was given, in the

<sup>&</sup>lt;sup>226</sup> "Porsche-Rennfahrerschule in den USA" *Christophorus* (1956). Porsche auf dem amerikanischen Kontinent, CRISTOPHORUS 3, 1956/57 Heft 20-30, Porsche Historisches Archiv, Stuttgart.

<sup>227</sup> Ibid.

Porsche case, to ensure that the Porsche heritage of European racing was passed to, and embraced by, American consumers.

In this effort Porsche was largely successful, able to use factory support in combination with latent interest among American enthusiasts and resulted in a greater American interest in European road racing. This process is evidenced here by an excerpt from a recurring editorial segment in Porsche Panorama in which their "European Correspondent" promises, "The race of the 1000kms on the Ring [Nürburgring] is next on the schedule... During the race, I will cut about one hour of tape recording and you will be hearing something about the race during the PCA Parade."228 For those who wanted to experience European road racing in a more visceral way than a recording, or even spectating the event itself, there was the option, for those who could afford the travel, to attend an international drivers school in Germany on the Nurburgring itself. While the experience of driving a sports car on a famous European race course was no doubt exceptional it is interesting to note that what Frederick Smith, an American enthusiast fortunate enough to attend a Nurburgring driver's school in 1960, focused more of his narrative on was the comradery he found among German sports car enthusiasts, "Also, we were to be the guests of the Weisbaden Porsche Club... who invited us over for their meeting in the Rathskeller across the street. Several hours of shop talk, racing, speeches, and delightful German beer followed."<sup>229</sup> These types of transnational experiences, in which American enthusiasts were able to immerse themselves in European automotive enthusiast culture are a further example of the messy, complex steps in which the transfer of European enthusiast culture to American consumers took place. They are single parts of the larger concurrent process of the globalization of America made possible by the

<sup>228</sup> Peter Lindemann, "Letter from Europe" *Porsche Panorama* Vol. 4 No. 5 (1959): 9. Porsche Panorama, Porsche Historisches Archiv. Stuttgart.

<sup>&</sup>lt;sup>229</sup> Frederick L. Smith, "School Days!" *Porsche Panorama* Vol. 5 No. 11 (1960): 4. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

consumption of a European product, i.e. Mr. Smith's consumption of a Porsche was a prerequisite to the consumption of a broader European automotive culture.

Another way in which the factory directly contributed to the Europeanizing influence on American consumers was through the "Treffens," trips which were organized by the Porsche Club of America in concert with the Porsche factory in Stuttgart. These trips, the first of which occurred in 1958, were annual to semi-annual affairs in which American consumers purchased a Porsche automobile and picked up the vehicle at the factory in Stuttgart before embarking on a planned or at least semi-planned driving tour of major European tourist destinations. While the entire trip lasted roughly three weeks, the first three days followed a close schedule and allowed Porsche to deliver its own narrative and "European-ness" that would be attached to the Porsche sports car. "You'll be greeted by Porsche factory personnel as you step from the plane and it won't be long before you'll hop into your brand new, special order Porsche. Yes, it's true... and then all of Europe is yours waiting to be discovered. But before you're off, you'll visit the fabulous Porsche assembly line and enjoy the hospitality of Porsche and Stuttgart," extolled an article in *Porsche Panorama* that was perhaps more advertisement than editorial.<sup>230</sup>

Unlike the Triumph Rally, which began around the same time, the Porsche Treffen was less a series of parties with some driving in between – although there were certainly parties on the Treffen as well – and more an event focused around introducing Americans to the Porsche company, German culture, and building an appreciation of driving the Porsche sports car in its native European environment. As the itinerary for the three official days of the 1963 Treffen indicate, the rather packed schedule of events included a tour of the factory, a driver's school –

<sup>&</sup>lt;sup>230</sup> "Here We go Again! Third Annual PCA Tour to Stuttgart and the VI International Treffen" *Porsche Panorama* Vol. 5 No. 2 (1960): 4. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

where new American owners would be shown how to drive their Porsches in a sporting fashion – and a banquet style dinner hosted by Ferry Porsche and key Porsche executives.<sup>231</sup> While the focus of the first full day of activities was solely on the Porsche factory and vehicles, the second day was less focused on the Porsche car and driving and included a bus tour of Stuttgart and a tour through a local brewery. This last day of factory planned activities emphasized the local culture of the region from whence the vehicles came. Here the Treffen again distinguished itself from the European tours sponsored by the British marques; after leaving the tightly scripted three-day introduction, most members would then go on a tour of Europe organized by European Porsche clubs, undoubtedly consuming more aspects of German – and European – culture as independent tourists. Perhaps a sign of Porsche's confidence in its products (and consumers) there was no parts van following behind American consumers in their new Porsches, no factory workers that would clean and polish the cars every few nights. Porsche Treffen participants relied on local Porsche dealers and independent service stations, the locations of which were provided in a booklet given handed out when the cars were picked up by their new owners at the factory. At the conclusion of the Treffen the vehicles that these American sports car enthusiasts had purchased, picked up from the factory, and toured Europe in, would be shipped to the United States.

These events allowed Porsche the opportunity to shape customer perceptions of the vehicle and its production. Factory tours, for instance, reinforced the small-batch, hand crafted production nature of the Porsche sports car. As one PCA member fortunate enough to participate in the Fifth International Porsche Treffen and tour the Porsche factory in Stuttgart observed, "This is no assembly line by any means, everything is custom-made—hand filing, beautiful old world coachwork and custom engine and transmission assembly. Every car turned out is subjected to a

<sup>&</sup>lt;sup>231</sup> Fifth PCA Treffen 1963, Print Handout Pamphlet, 1963. PCA Treffen, Porsche Historisches Archiv, Stuttgart.

very critical road test."<sup>232</sup> As noted earlier, the "handmade" or "bespoke" aspects of the Porsche sports car was one of the factors by which American consumers defined the European sports car in general. Enthusiast consumers would struggle to find such attributes in any domestically produced car. Porsche also allowed photography and video-recordings to be taken during the tours, correctly assuming that this would be spread amongst enthusiasts and further elevate the perception of their brand. This was certainly the case, based the observations of Jim T. Seolas, a PCA member from the Arizona, "All of the precision hand work done on each and every unit is something for us to see. Mass production and assembly lines as we know them can DROP DEAD!" which was itself based on a film of the production of Porsche sports cars shot during an international Treffen to Stuttgart of the production of Porsche sports cars at the factory. <sup>233</sup>

While the level of Porsche factory participation in the Treffen was high, the brunt of the financial burden of the trip fell upon the Porsche Club of America and the American enthusiasts who embarked upon the usually month-long adventure. By 1966 the cost of the chartered flight alone was \$35,000, and that did not include the shipping for the vehicles to (for those who were not taking delivery of a new Porsche car) or from Germany. All of this is to say that while certain aspects of the Treffen were indeed part of a marketing system designed to sell more Porsche sports cars, it was not one funded by Porsche, or its distributors, directly. Rather, the PCA was assuming the burden of deploying a marketing scheme in the US that Porsche was reaping the benefits of. In the process the PCA increased its membership as in the 1960s participation in the Treffen was restricted to PCA members and their wives only. Rather the experience of being at the factory and

<sup>&</sup>lt;sup>232</sup> "Fifth International Porsche Treffen" *Porsche Panorama* Vol 4. No. 11 (1959): 4. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

<sup>&</sup>lt;sup>233</sup> Jim T. Seolas, "Der Porsche 'Vas Pushin'" *Porsche Panorama* Vol. 4 No. 9 (1959): 11. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

<sup>&</sup>lt;sup>234</sup> PCA Board of Directors, "Membership Rises to 3,508" *Porsche Panorama* Vol. 11 No. 1 (1966): 12. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

using the vehicle in its "native" environs, was seen as justification enough for the extravagant costs of the trip.

While the international Treffens were extravagant affairs in which only a small percentage of American Porsche buyers could participate, other enthusiast events organized by American enthusiasts also point to a form of European influence. While the fortunate few (roughly 80) were gallivanting across Europe, Porsche enthusiasts at home staged their own Treffen of sorts:

The first country on the tour was ITALY where thoughtful customs officials at the important landmark of the 'Leaning Tower of Pizza' offered delicacies and some of that famous black coffee. Following a short rest and a 'secondo di atterimento,' the tourists continued on to GERMANY and found themselves accosted in the Black Forest Preserve by Bavarian types never seen before. They were friendly, though, and served a typical local specialty—bratwurst and beer. Refreshed after a 'schrecksekunde,' the travelers then took a long winding tour arriving high in the FOX River ALPS, where they were greeted by yodeling officials in original costumes. After paying their dazzle toll and taking their 'temps de reflexe,' visitors nibbled on a special cheese, wandered over the ramparts and across the drawbridge of the beautiful old castle. All of these control point delicacies merely whetted the appetite for the feast spread out by our French hosts at the Villa d'Este. Under the tricolor, beret-topped hand-shakers closed the tour with finesse and a 'seconde d'effroi,' for the weary wanderers."<sup>235</sup>

While the passage above may at first appear to be a description of the Second Annual Treffen of the PCA to Europe, it is in fact an overview of the Chicago-Milwaukee Region "Treffen" event put on by the Committee for the Advancement of Poor Porsche Pilots, or CAPP, a self-deprecating jab at the affluence of the average Porsche owner. Obviously styled after the big "Treffen" to Europe, local members wanted it to "appear to be as much like a Treffen as possible, with travel

<sup>&</sup>lt;sup>235</sup> Bud Blake, "'The Treffen' Chicago-Milwaukee Style" *Porsche Panorama* Vol. 4 No. 12 (1959): 7. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

vernacular, local atmosphere, etc. We knew we had a leaning 'Tower of Pisa,' an old Chicago landmark constructed by a wealthy gentleman after a sojourn to Italy in the Thirties. We also had forest preserves, one of which had the appearance of the Black Forest with a replica of a German building." However, to make the outing even more complete participants were given fake travel documents, called a "Passepartout" and set up fake customs checks and agents at the rally's main checkpoints. Met at the Chicago airport by, "PCA immigration officials," participants had their photographs:

stapled and embossed into the Passepartout under a hot sun... At each border crossing (check point), one of the customs officials stamped the Passepartout with a rubber stamp. Each of the stamps indicated in the language of that country a 'Moment of Thought,' a term used in Europe for the time charged on your bill that a mechanic thinks while working on your car. It was a day of make believe, but unlike in Alice in Wonderland, the dream had come true.<sup>236</sup>

When one considers the time and expense involved in planning and executing even local or regional events such as these it reinforces the idea that it is an element of "European-ness" that appeals to the owners of (in this case specifically) Porsche sports cars. It was not enough to merely stage a sports car rally though the greater Chicago-Milwaukee region, even though this was itself an element of European enthusiast culture, but it also had to include a stylized depiction of Europe as well. The 90 members of the Chicago-Milwaukee PCA who participated in this event are indicative of the broader base of American sports car enthusiasts who, at the close of the 1950s, were clearly chasing after a type of European image and cultural experience that was attached to sports car ownership, even if when it came to elements beyond the vehicle itself this image was perhaps more stylized than authentic.

<sup>236</sup> Ibid.

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Not all American interactions with Europe and European enthusiast culture took place in the carefully mediated environs of a club or factory organized international Treffen, sports car enthusiasts also, on occasion, found themselves caught up in the realities of Cold War Europe, exemplified here by the trip taken by Bill and Virginia Sholar, founder of the PCA and wife who shared an equally enthusiastic passion for Porsche sports cars and European travel. While on vacation with the Porsche Club of America Tour in Germany in 1960 inclement weather caused their planned trip to the North Sea region to be cancelled. On the insistence of an unnamed German friend, the Sholars are encouraged to use the time to travel to Berlin via autobahn in their new Porsche sports car. Their trip is largely uneventful, and much of it is consistent with other travel literature written about the Communist East from a Western perspective, in which a bustling, busy and friendly western zone is contrasted against a guarded, desolate, and cold eastern zone. Care is taken to point out the, "contemptuous glances... [and] unsmiling characters," from East German border security, the empty roads, propaganda billboards, and, in East Berlin, the large Communist boulevards conspicuously free of pedestrian traffic.<sup>237</sup> However, despite the cliché writing style, indications of shared humanity break though; for instance when the author, Virginia, notes, "I got the impression that the officials back of those windows in those wooden shacks filling in endless forms with useless information were just as tired of this whole stupid business as we were," a reference not only to the border checks, but to the geopolitical divisions of the Cold War as well.<sup>238</sup> This tiny sentence at once reinforces and yet at the same time calls into question Cold War stereotypes. While Bill and Virginia's experience was certainly unique, it would be far-fetched to claim significance in terms of direct transnational contact between East and West. What is perhaps

<sup>&</sup>lt;sup>237</sup> Virginia Sholar, "... So We Went to Berlin!" *Porsche Panorama* Vol. 5 No. 11 (1960): 6-8. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

<sup>238</sup> Ibid. 8.

far more significant is the way in which Virginia chooses to end the article, "It had been a wonderful experience and one which I wish all thoughtful Americans could have."<sup>239</sup> It hints to the open nature of European sports car enthusiasts and a willingness to look past established stereotypes that tends to come with a more cosmopolitan worldview.

The Treffens continued to grow along with the PCA in both size and complexity as well as the level of cultural immersion. By the mid to late 1960s the PCA was certainly a busy organization, consisting of 4,668 members in 1968, usually planning one PCA Treffen annually or bi-annually, as well as at least one Porsche Parade in the United States in addition to the numerous events organized at the regional level and controlled an annual budget of \$75,000 to \$80,000 at the national level to make these events possible. In terms of cultural immersion, the 1966 Treffen was timed so PCA members would be able to take in the Oktoberfest in Munich, as well as a Porsche Club meet which would include, "the German and European [Porsche] clubs."

There did appear to be indications going into the 1970s that this infatuation with the "European-ness" of the Porsche sports car and Porsche ownership was waning. Initially, American enthusiast interest in the 1969 Treffen appeared so great that Porsche struggled to support the event. Initially Porsche tried to split the Treffen; rather than one 150-person group the Treffen would be split into three 25-50 person groups, each roughly one month apart and lasting 21 days, although the itinerary for all would be the same. As in years past, the Porsche Factory would provide two or three days of activities and the remainder of the time would be spent exploring Europe

239 Ibid

<sup>&</sup>lt;sup>240</sup> PCA Board of Directors, "Membership at a new high of 4668" *Porsche Panorama* Vol. 13 No. 1 (1968): 20. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

<sup>&</sup>lt;sup>241</sup> "Porsche Club of America Seventh Treffen" *Porsche Panorama* Vol. 10 No. 3 (1965): 12. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

individually.<sup>242</sup> However this plan fell apart during the winter of 1969, and American enthusiasts on the West Coast found out in March that their trip in April had been cancelled.<sup>243</sup> An attempt was made to accommodate them in May, but due to low participant interest – not entirely unexpected given the last minute cancellation one month prior – the 1969 Treffen was cancelled in its entirety and there would be no 1970 Treffen either. Another indication that Euro-centric attitudes surrounding Porsche ownership were shifting was one enthusiasts hunt for a used Porsche in Europe. As he sadly noted at the end of his article, "While we were rummaging all over Europe for this object of our affection, I made the discovery that Porsche Country is no longer in the Old World but right here within the borders of our own land…"<sup>244</sup> Implying that 'Porsche Country' was not within the actual country in which the cars were manufactured would appear to suggest a dramatic shift in the way American enthusiasts perceived the

Ultimately, a slight turn away from European travel by American enthusiasts should not be confused with a lessening of the European cultural interest or the transfer of culture which was tied to the Porsche sports car. Within the United States the incorporation of 'German' culture into PCA gatherings still played a significant role. For instance, at a West Coast meet in California which included 11 PCA regions, the informal welcome night event included "a tech session and beer and German food…" obviously playing up the foreign heritage of the Porsche sports car, an aspect of its appeal to American consumers.<sup>245</sup> At the significantly larger XII Porsche Parade in Washington D.C. in the summer of 1967 the "deutsche Gemütlichkeit" of the Potomac region was

<sup>&</sup>lt;sup>242</sup> "More about '69 Treffens" *Porsche Panorama* Vol. 14 No. 1 (1969): 25. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

<sup>&</sup>lt;sup>243</sup> "Treffen '69" *Porsche Panorama* Vol. 14 No. 5 (1969): 13. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

<sup>&</sup>lt;sup>244</sup> Charles Weller, "Why not buy a used Porsche in Europe?" *Porsche Panorama* Vol. 15 No. 1 (1970): 21. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

<sup>&</sup>lt;sup>245</sup> PCA Board of Directors, "Membership at a new high of 4668" *Porsche Panorama* Vol. 13 No. 1 (1968): 20. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

emphasized by 'Bavarian night.' Participants in the XII Parade would experience elements of German culture, specifically a menu of traditional German foods – sausages, sauerkraut, rye and pumpernickel breads, 'German' potato salad, and 'German' pastry, before "Ten German musicians in native costume," provided music for dancing, "Bavarian dances will be performed and demonstrated. Everyone will have the opportunity to learn the dances... [and] singing... like a genuine Bavarian." <sup>246</sup>

This demonstrates the durability of the cultural connection forged by the consumption of the Porsche sports car, for even in the late sixties, after the cars had been on the market in the US for nearly two decades the associations of the owners with aspects of German culture are still quite strong. Perhaps more importantly than the questionably authentic 'Bavarian Night,' the Potomac region PCA also arranged a reception for Parade participants at the Chancery of the German Embassy, a noted first, "the German Embassy has never before given a reception to any social organization such as PCA." <sup>247</sup> As promotional material for the XII Parade pointed out, participation in events such as 'Bavarian Night' inspired, "that unique bond which makes each Porsche owner a part of a tradition unmatched by any other marque in the world." <sup>248</sup> Through instances like this, it is clear to see the ways in which the vehicle itself, as well as the enthusiast organization which grew around it, functions to spread aspects of the national culture of the vehicles production.

By the beginning of the 1970s a general turn towards American affairs was apparent among members of the PCA. While articles still regularly appeared on European sports car and racing developments, articles concerning safety and emissions regulations as well as the ballooning

<sup>246</sup> "XII Porsche Parade" *Porsche Panorama* Vol. 12 No. 4 (1967): 17. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

<sup>&</sup>lt;sup>247</sup> Ibid. 19.

<sup>&</sup>lt;sup>248</sup> Ibid, 12.

costs of automobile insurance began to appear with greater frequency. As one enthusiast ranted early in 1972, "I am afraid that unless we who drive the Porsche speak up and **make** someone hear us we will either be regulated to driving the latest model M-3 Tank or we will have to pay a premium to protect ourselves..."<sup>249</sup> Increasing US regulations were encroaching into the design and driving experience of American consumers, especially among members of organizations organized around the heritage of European sports car driving who increasingly felt marginalized. This is clear from the way that the language becomes even more forceful, an enthusiast writing in 1974 argued, "Organizations like the PCA must assume the responsibility for initiating the attack [on increasing general automobile legislation] ... we must begin the fight now, with pen and paper and intelligent letters to the people that can do some good."<sup>250</sup> The much more militant tone is indicative of not only the increasing pressure that sports car enthusiasts faced, but also of how the sports car community saw itself: as a united front against further government restrictions.

These issues were not unique to the United States, as enthusiasts with connections to Europe fostered by the sports car and motor sport looked to Europe they were dismayed to find even harsher restrictions already in place or on the horizon. In France, Great Britain, and West Germany most motorsports, including rallying, had been banned or "severely curtailed" by December of 1973 in the wake of the Oil Crisis. The Porsche Club of America encouraged American enthusiasts to support the National Motorsports Committee – a group established to lobby the Federal Energy Office on behalf of American motorsports enthusiasts – by writing letters to "state and national government representatives," and with financial contributions.<sup>251</sup> Despite

<sup>&</sup>lt;sup>249</sup> George McClelland, "I'm Scared! Are You?" *Porsche Panorama* Vol. 17 No. 2 (1972): 5. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

<sup>&</sup>lt;sup>250</sup> T. Patrick Keating, "What's the Point?" *Porsche Panorama* Vol. 19 No. 1 (1974): 43. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

<sup>&</sup>lt;sup>251</sup> Bob Gelles, "Why Support The National Motorsports Committee" *Porsche Panorama* Vol. 19 No. 4 (1974): 15. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

this lobbying several well-known international races, like the 12 Hours of Sebring would be cancelled, and with a dearth of motorsport events in Europe cancelled, the world looked quite bleak to American Porsche enthusiasts in the mid-1970s.

While the Oil Crisis would end, increasing regulations and escalating insurance premiums would not. Stricter emissions regulations lowered the power output of engines, and injured performance while vehicle price increased and the cost of insurance skyrocketed. Fewer enthusiasts would be willing to drive their Porsches cross-country to participate in meets and events, and far fewer would drive their cars in the amateur rallies and races that had characterized enthusiast activities in the late 1950s and 1960s. On the manufacturers end, it would be nearly impossible for Porsche to bring the same purity of German design and engineering to American consumers when conformity was demanded to such extensive regulations. At the same time, due to motorsports regulations and increasing fuel costs within Europe, it no longer shone as the beacon of sports car culture that it had in the 1950s. All of this culminated in a refocusing of American enthusiast attention in the mid-1970s around combatting regulatory overreach and keeping sports car and motorsports alive within the United States.

This chapter has illustrated the ways in which the design and sales of the Porsche sports car in North America contributed to a transfer of German automotive culture, and German culture more broadly, to American consumers from the mid-1950s to 1974. The design and engineering of the two most significant Porsche models in terms of the American market, the Typ. 356 and 911, demonstrated a kernel of European motorsports authenticity that was well received by American automotive journalists and consumers. However, the complex process of American cultural globalization, as seen through the lens of the Porsche sports car, cannot be understood solely by focusing on the manufacturer's perspective. Key to understanding this process was the

perspective of the American consumers who purchased a Porsche sports car and became enthusiasts. As this chapter has demonstrated, American enthusiasts embraced the 'German-ness' of their automobiles; from hosting Oktoberfests in the United States to travelling abroad to see the factory and drive on the roads of Europe in a manner befitting the performance heritage of their Porsches, American enthusiasts who purchased a Porsche also bought into aspects of the national culture of the country in which it was produced. Despite the rising tide of American culture flooding into Europe in the postwar period, Americans consumers could not escape participation in the same processes of cultural transfer inherent in the exchange of goods across borders. American culture would feel the touch of European influence, channeled through automotive enthusiasts and the sports cars they purchased.

## CHAPTER 4. AMERICAN ADAPTATION AND APPROPRIATION OF THE EUROPEAN SPORTS CAR

By the early 1950s the sports car craze had captivated American consumers. However, despite all the noise about sports cars, actual sales numbers remained relatively low, just 0.27 percent of all new car registrations in the United States in 1953. 252 Yet low sales numbers alone belie the significance of consumer participation in the culture of the sports car: new regional chapters of the Sports Car Club of America (SCCA) had blanketed the nation, single-marque clubs like the MG Car Club were building extensive membership rolls, and perhaps most importantly the American popular and automotive press was busily printing articles telling Americans they could expect more from their cars and their manufacturers. The rapid expansion of enthusiast culture in the United States led American manufacturers to conclude, despite comprising a relatively low percentage of overall market share, that the sports car craze represented a permanent feature of the American automotive market.

The situation was complicated by the fact that General Motors was facing intense competition from Ford for the position of largest domestic automotive manufacturer at the time, which influenced its decision to enter the sports car niche. Likewise focused on beating General Motors, Ford was therefore dragged in to the sports car market as well, each vying to produce an American vision of the sports car. Entering the sports car niche of the American automotive market forced General Motors and Ford to confront the European sports car and determine not only what it was in terms of design, performance, and engineering, but also why it was so popular among American consumers. Their analysis focused on all aspects of the sports car: the general aesthetics

<sup>&</sup>lt;sup>252</sup>The actual number is 11,199 out of 4,158,394, in Karl Ludvigsen, *Corvette: America's Star-Spangled Sports Car, A Complete History* 6<sup>th</sup> Ed. (Princeton: Princeton Publishing Inc., 1978), 10.

of the sports car design, engine and chassis engineering, as well as its intended use in the Europeanstyle motorsports events promoted by steadily expanding enthusiast clubs.

However, a stumbling block for contemporary American auto executives was the very 'European-ness' of the European sports car, an intangible element which intrigued American consumers who wanted a car that not only looked different, but also a driving experience that was more immediate and engaging. This presented a problem to American manufacturers: how to capture that kernel of 'European-ness' while at the same time producing a car that appealed to a broader percentage of American consumers and could be truly mass-produced. In their formulation of a competitive response, American manufacturers deliberately adopted and appropriated aspects of the European sports car into their own products.

By examining the influence of European automotive design and culture I take the interpretive model of 'Americanization' and invert it to examine how the importation and sales of a European product, the sports car, influenced the American automotive industry, one of the largest and most powerful American industries of the period. Therefore, I complicate the traditional narrative of 'Americanization,' demonstrating that American industries and consumers were influenced by European products in much the same manner. This supports the broader argument of my dissertation, which is that rather than thinking in terms of Americanization, with all its imperialist undertones, it makes more sense to view the immediate postwar period as a case of the globalization of economies and cultures. While the United States enjoyed a position of dominance, it was nevertheless susceptible to the outside cultural and economic influences that accompanied the consumption of foreign products.

This chapter traces the response of American manufacturers to the European sports car craze of the 1950s through four case studies. The first section uses the Chevrolet Corvette, the first

American sports car, as a case study to demonstrate how an American manufacturer attempted to adopt elements of the European sports car by creating a slightly Americanized copy of a fundamentally British design. The ten-year evolution of the Corvette from its release in 1953 to the Corvette Sting Ray of 1963 demonstrates the difficulty that General Motors encountered essentially breaking-in to a niche of their own domestic market. Despite the fact that the Corvette is remembered as a quintessentially American car in the American cultural imagination, the development of the Corvette in indicative of the difficulty inherent in capturing that kernel of 'European-ness' which American enthusiasts wanted and General Motors wished to emulate. The second section uses Ford's Thunderbird as a case study to examine how an American manufacturer appropriated the European sports car, selling the image of European style and performance while adapting the vehicle to an American driving and cultural environment. For instance, the inclusion of a V-8 engine, in addition to hood scoops and other elements of hot-rod aesthetic created a uniquely American vision of a performance vehicle. While the Thunderbird was rejected by most American enthusiasts, it went on to achieve respectable sales figures in a broader market sector thus demonstrating the complexities inherent in competing in this globalized sector of the domestic market. The third section examines General Motors other main effort to compete with the European sports car: the importation of its own captive European brand, Opel. Opel cars were first imported in 1958, however this section is most concerned with the period from 1964 to 1973 when Opel's two most successful models, the Kadett and the GT, were imported and sold through Buick dealers. The Opel GT was a European sports car. It was designed and built in Germany for European driving conditions, and certain models of the Kadett economy car were turned into sports car through the optional Rallye package. Both the Opel cars, and, somewhat ironically, the marketing approach chosen by General Motors to sell them to American consumers, contributed

to the transfer of a European motorsport and enthusiast culture. However, the timing for the Opel venture was poor; the horsepower wars of the 1960s peaked in 1968, and mainstream American consumer interest favored cheap, powerful muscle cars over European finesse and handling. In closing, the final section of this chapter examines the enthusiast response to these ventures, and explores how enthusiasts grappled with American manufacturers trying to recreate and sell a European product.

## 4.1 An American Copy: The Chevrolet Corvette

The Corvette, the first sports car produced by an American automaker in the postwar period, is an excellent case study of one American manufacturer's attempt to compete with the European sports car. The Corvette was not initially intended for production. Consumer demand prompted General Motors to move the car into limited production after the concept vehicle was first publicly displayed at GM's 1953 Motorama auto show. From 1953 to the introduction of the Sting Ray in 1963, the story of the Corvette demonstrates General Motors' attempt to break into a niche of their own domestic market through a deep engagement with the European sports car and American enthusiasts. General Motors clearly sought to recreate the European sports car, undertaking primitive market studies and reproducing the style and design of a typical mid-to-upper end European sports car, and more specifically the Jaguar XK-120, even down to its odd 102-inch wheelbase. Furthermore, in terms of production the first generation of the Corvette was largely handmade, and General Motors executives called attention to this fact, lauding the 'modern' methods that were being used in the cars assembly process.

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<sup>&</sup>lt;sup>253</sup> John Heitmann, *The Automobile and American Life* (Jefferson: McFarland & Company, Inc., 2009), 142.

Through the maturation of the Corvette I shine a light on the processes through which an American automaker, the largest auto manufacturer in the world, adapted a product originally from Europe for an American consumer. This demonstrates that the processes of adaptation, adoption, and appropriation that historians use in discourses of 'Americanization' are equally applicable to processes occurring as a result of the consumption of European products in the United States. While validating the methodological framework which underpins 'Americanization,' the story of the Corvette complicates the type of narratives which it has produced which tend to give the United States a monopoly on the spread of culture through consumption. For many American enthusiasts there was something missing despite the Corvette's performance, clearly European-influenced style, and handmade production; that kernel of 'European-ness' was not there. From its initially disappointing first few years to 1963 the Corvette matured from a hasty copy of a European sports car and began to be refracted into an American vision of the sports car. While the Corvette had gained an optional V8 of 265 cubic inches in 1955, General Motors designers embraced the clear American penchant for large engines by 1963, offering only a 327- cubic inch V8 which produced 300 horsepower. Furthermore, in 1963 the Corvette gained a coupe body in addition to the convertible (roadster) in order to appeal to a broader swath of American consumers for which a convertible car was too impractical.

In the rush to satiate the incredible postwar demand, American manufacturers generally limited innovation and pumped out massive numbers of heavy sedans. American manufacturers perceived the sedan to be the ideal platform; it was a general-purpose design that was equally adept at carrying passengers and luggage, and was optimized for the long-distance driving that typified American road travel. A speech by Maurice Olley, Head of Research and Design in the Chevrolet Division of General Motors, is indicative of how American manufacturers viewed the design of

the American sedan in the postwar period, "... America popularized the sedan in the late 1920s. For years this appeared the complete solution of the problem [of transportation], combining the open air with adequate weather protection and adequate space." Furthermore, its wide appeal meant it could be mass-produced, driving down the costs of production, and, aided by a plethora of add-ons and options, the sedan could have wide profit margins. As Olley noted a few pages later, "Logically the problem of American transportation was solved, and the industry could settle down to pressing out millions of 5 passenger sedans." Furthermore, Olley was not the only General Motors executive who felt this way, in a speech given to the Marketing Association of New York an unknown executive said, "Life in the automobile trade would be serene and peaceful if we could settle down to the production of black four-door sedans." From a manufacturer's perspective the American sedan was a nearly perfect design and there was very clear organizational momentum in the early postwar period to continue along these lines, especially when pent-up consumer demand meant that they could quickly sell every car that rolled off the line.

As early as 1948 American consumers, especially enthusiasts, protested what they saw as the failure, or at least stagnation of postwar American automotive design. In "J'Accuse," an article published in *Sports Car*, enthusiast Alec Ulmann criticized nearly every aspect of the typical American production car. Beginning with lackluster engines and moving through soft suspensions and three-speed transmissions, ending with bloated, chrome-encrusted sedan bodywork, Ulmann's critique exemplified the feeling of most American enthusiasts that the big Detroit automakers were

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<sup>&</sup>lt;sup>254</sup> Maurice Olley, "The Evolution of a Sports Car... The Chevrolet Corvette" Speech presented at SAE Detroit Section Meeting, 5<sup>th</sup> October 1953, 1. 1953 Corvette, Speeches and Presentations, General Motors Heritage Center and Media Archive, Sterling Heights.

<sup>&</sup>lt;sup>256</sup> Address to the Marketing Association of New York, 28<sup>th</sup> April 1954, 1. Chevrolet Engineering Speech File, Sports Car Speeches, 4139.01, General Motors Heritage Center and Media Archive, Sterling Heights.

taking advantage of an American consumer who simply didn't know there were better cars available. However, Ulmann's piece is not entirely negative, and ends with a call to action:

So, I say again, 'I accuse.' Yes, I do, because this country [United States] has the talent, has the engineering ability, and has shown in the past that it can produce such gems as the Mercer, and the Wills St. Clair, the Hispano-copied LaSalle and Cadillac, the final Stutz, and the Marmon V-16. It has revolutionized the concept of car configuration with the streamlined Graham-Paige, the last of the Cords, and the elegant pre-war Lincoln Continental. All we have seen since in the melodramatic and absolutely purposeless social-climber, 'Town and Country Special.' Well, it might be good enough for you, but it is not a good enough postwar effort to suit me.<sup>257</sup>

While it is unlikely that any General Motors executive read Ulmann's piece specifically, what they could no longer ignore was the general swell of opinion presented in an increasing number of books and automotive publications. <sup>258</sup> Harley Earl, Head of Design at General Motors even experienced this type of feedback personally when he took the just-completed LeSabre prototype – a two-seat 'Dream Car', large, heavy, and with styling inspired by jet aircraft which would come to typify American automotive design – to the sports car races at Watkins Glen. There he was, "ridiculed by enthusiasts like Briggs Cunningham, who chided Earl for not making a proper sports car..." Earl understood that there was a larger market for the sports car than the limited number of European imports revealed. In fact, there was a contingent of American enthusiasts who wanted European performance and style, but from an American manufacturer and at an affordable price.

<sup>&</sup>lt;sup>257</sup> Alec Ulmann, "J'Accuse" *Sports Car* Vol. 5 No. 1 (1948): 10. v. 5 no. 1-3 1948, SCCA 'Sports Car' Box 1, The Benson Ford Research Center, Dearborn.

<sup>&</sup>lt;sup>258</sup> For more examples of this type of popular literature see Ken Purdy, *Kings of the Road* (New York: Little, Brown & Co., 1952); Don Stanford, *The Red Car* (New York: Scholastic Book Services, 1954); Anne Taylor and Fern Mosk, *Press on Regardless: Or the Confessions of a Sports Car Addict* (New York: Simon & Schuster, 1956).
<sup>259</sup> Karl Ludvigsen, *Corvette*, 17.

This push from enthusiasts combined with General Motors' increasingly fierce competition with Ford Motor Company. Both corporations were intently focused on commanding the largest share of the American automobile market. As historian Ed Cray notes, General Motors was falling behind Ford, which had undertaken a major redesign in 1952. Therefore, "late in 1951, after seeing the new Fords, then-President Charles Wilson had directed [Harlow] Curtice to restore aging Chevrolet's image." This was all the more significant due to the fact that, in terms of American market share, only a few percentage points separated the two brands. Charles Wilson was called to serve as the Secretary of Defense by President Eisenhower in 1953, leaving Curtice, still charged with rejuvenating Chevrolet's brand image, as President of General Motors.

Beginning in 1952, General Motors embarked upon a radical redesign program to inject youth and energy into its lineup, and part of that program was the production of the first postwar American sports car, the Chevrolet Corvette. Perhaps the best articulation of the design goals for the Corvette came in a letter from General Motors' Chief of Research and Development Maurice Olley to two other executives, written after the car was ready for production, "The need was to produce a sports car, of attractive appearance, using components of known reliability, with adequate performance, a comfortable ride, and stable handling qualities." <sup>261</sup> British sports cars like the M.G.s and Jaguars were incredibly popular among American enthusiasts, and offered a model to follow to a nearly guaranteed sales success within the emerging sports car niche that Chevrolet wanted to enter.

Conceptually the Corvette was intended to compete directly with the 'European' sports car and thus Chevrolet designers and engineers sought inspiration from the competition. An internal

<sup>&</sup>lt;sup>260</sup> Ed Cray, Chrome Colossus: General Motors and Its Times (New York: McGraw Hill, 1980), 363.

<sup>&</sup>lt;sup>261</sup> Maurice Olley, "Corvette Development" Letter to W.R. Mackenzie and A.F. Baske 17<sup>th</sup> August 1953. 1953 Corvette Correspondence – May thru August 1953, Correspondence, DN938 Box 4, General Motors Heritage Center and Media Archive, Sterling Heights.

study by Maurice Olley presented in March 1952 to the General Technical Committee, titled "Notes on European Cars," explored the common differences between European and American cars. Firstly, the report noted that, "deteriorating [economic] conditions elsewhere in the world, and a general lack of dollars, are opening the door to European products." Olley's point here is that American manufacturers could expect European competition to grow rather than subside. However, a key point, expressed in parenthesis at the end of a roughly page-long analysis calls attention to the fact that the, "emphasis in America is on directional stability – in Europe on directional nimbleness." Essentially, Olley predicted that increased European competition would come in the form of a vehicle with balanced handling. This analysis was not novel in 1952; the postwar European sports car that was captivating American enthusiasts emphasized balanced handling over outright power or top speed. In closing, Olley argues, "It is suggested that American engineering teams visiting Europe can perhaps learn in design...", a powerful statement coming from the Head of Research and Development for General Motors indicating the corporations focus on European competition. 264

By the 1950s American automotive designers did not have to visit Europe to be familiar with aspects of European design. General Motors Head of Design, Harley Earl was no stranger to the sports car, as journalist Paul Ingrassia observes: "Attending races at Le Mans after the war, Earl witnessed firsthand the popularity of two-seat sports cars, notably the Jaguar XK-120 roadster, which had been introduced in 1948 as Jaguar's first postwar car." In 1950 Earl designed the

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<sup>&</sup>lt;sup>262</sup> This report was also later given as a speech to the October 1<sup>st</sup>, 1952 meeting of the Society of Automotive Engineers, Detroit Section. Maurice Olley, "Notes on European Cars" Internal Report, 24<sup>th</sup> March 1952, 1. Historical, Folder 2, Box 2, Maurice Olley Collection, General Motors Heritage Center and Media Archive, Sterling Heights. <sup>263</sup> Ibid, 6.

<sup>&</sup>lt;sup>264</sup> Ibid, 7.

<sup>&</sup>lt;sup>265</sup> Paul Ingrassia, Engines of Change: A History of the American Dream in Fifteen Cars (New York: Simon & Schuster, 2012), 35.

LeSabre 'Dream Car,' which was an American interpretation of the two-seat convertible sports car, however after his embarrassment at Watkins Glen with the prototype, Earl ordered his design team to create, "a two-seat sporty roadster with clean, simple lines that he hoped would upstage the XK-120."266 Thus the Corvette concept was born, Earl's design team produced a snub-nosed two-seat roadster body that was very clearly influenced by European design trends. A key member of Earl's design staff was Bob McLean, a young graduate of Cal Tech. As former General Motors Chief Engineer notes in his retrospective monograph, Corvette From the Inside, "McLean, fresh from California, was very familiar with the sports car racing scene that was already developing there and knew what it took to make a sports car."267 It is indicative of Earl's intent to replicate the European sports car that he relied upon a member of the design staff who had firsthand experience in one of the major markets for the sports car, Southern California, and had studied design in that milieu. Furthermore, the vehicle would be powered by a new "Blue Flame" version of Chevrolet's 235-cubic inch inline six-cylinder engine, which was a direct influence from the 3.8 Liter inline six cylinder which powered the XK-120. In fact, when Earl saw the design mockup for the engine's placement – which was much lower and rearward that was usual in American car design – he reportedly asked, "Is this how the Jaguar and M.G. are?;" and when an engineer responded in the affirmative Earl replied, "'Well, that's how we'll do it." Clearly the initial version of the Corvette was an attempt to copy what General Motors viewed as the key aspects of the European sports car: a low, two-seat roadster body, powered by a six cylinder engine.

Although much of the Corvette design represented a shameless copying of the XK-120, there were two areas in which General Motors sought to differentiate its product from the European

<sup>&</sup>lt;sup>266</sup> Ibid, 35.

<sup>&</sup>lt;sup>267</sup> Dave McLellan, Corvette from the Inside: The 50 Year Development History As Told By Dave McLellan, Corvette's Chief Engineer 1975-1992 (Cambridge: Bentley Publishers, 2002), 4.

<sup>&</sup>lt;sup>268</sup> Karl Ludvigsen, *Corvette*, 20.

model. Firstly, the body panels for the Corvette were made from fiberglass, a newly discovered and still fairly exotic material whose properties were not fully known. Fearing a return to steel rationing due to the brewing conflict on the Korean peninsula, General Motors experimented with fiberglass as a potential replacement for steel.<sup>269</sup> When the Corvette was drafted, it was as a concept car, not one that was necessarily ready to go into production, and therefore Earl perceived it to be a perfect testbed for the new material. A second innovation for Corvette was that it would feature an automatic transmission. The automatic transmission was not new, introduced in 1939 by General Motors as the Hydra-Matic, however its application in a sports car was novel. The automatic transmission, and the later decision to only offer the production Corvette with an automatic, represented GM's desire to 'Americanize' the sports car. After all, automatic transmissions were a popular, option on most of Chevrolet's passenger cars, and Maurice Olley and other General Motors executives, hoped that this would broaden the Corvette's appeal beyond just the hardcore enthusiast market.

Despite intense project secrecy, word of the development of an American sports car leaked and was picked up by agents for the British Board of Trade. This is not altogether surprising, considering that much of the weight of the British government and Foreign Service was put behind the export push. However, what is interesting is that British manufacturers, and even the British Foreign Service saw increased competition, especially with an American manufacturer, as a good thing. A Monthly Economic Summary produced by the Board of Trade noted that, "Two domestic manufacturers however are starting production of sports cars on European lines, viz: Chevrolet and Kaiser-Frazer. Neither of these cars have yet appeared on the market and it seems unlikely that many sales will be made in 1953. The emergence of Chevrolet as a producer of sports cars

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<sup>&</sup>lt;sup>269</sup> Ibid, 13-16.

cannot but help increase their acceptance by people who do not yet regard them as really respectable."<sup>270</sup> Indeed, General Motors had set out to do exactly that, and the British motor industry and Board of Trade must have been positively beaming when they heard about the closing section of Maurice Olley's speech to the SAE where he remarked, "The sports car is a serious form of transportation. It ranks with the chariot, with the tilbury, and curricle of the 1800's, with the roadster of the 1920s, as a necessary step in providing convenient, lively transportation for two people in a smaller package."<sup>271</sup> General Motors interest, and later production of a sports car, legitimated the European idea of performance.

Chevrolet showcased the Corvette concept at its 1953 Motorama which began in January in New York. The Motoramas were new car shows put on by GM to display concept cars and gauge popular interest in future production models. Public reaction to the Corvette was immediate and positive, far more than anticipated. As an official press release in the wake of Motorama described, "The automobile was a major 'surprise' of the Motorama... Chevrolet was not only keeping pace with the GM trend of developing experimental vehicles for engineering research, but was going a step further to demonstrate to the public what the tremendous resources of the world's biggest automaker can do when it assigns engineers to look into the sports car field."<sup>272</sup> While the final decision to put the car into production had been postponed by Curtice pending the outcome of the Motorama display, Ed Cole, the new President of the Chevrolet Division anticipated a

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<sup>&</sup>lt;sup>270</sup> Commercial Relations and Exports Department, Board of Trade, "Monthly Economic Summary, May 1952: Memorandum – Motor Cars," Circulated to Economic Relations Department, British Foreign Office 27<sup>th</sup> May, 1952. E95/9, UEE 95/5, FO 371-105097, The National Archives of the UK, Kew.

<sup>&</sup>lt;sup>271</sup> Maurice Olley, "The Evolution of a Sports Car... The Chevrolet Corvette" Speech presented at SAE Detroit Section Meeting, 5<sup>th</sup> October 1953, 9. 1953 Corvette, Speeches and Presentations, General Motors Heritage Center and Media Archive, Sterling Heights

<sup>&</sup>lt;sup>272</sup> General Motors Corporation, "Corvette" Press Release Friday PM 16<sup>th</sup> January 2953. 18, 1953 Chevrolet Corvette, News/Press Releases/Kits, Box 4, DN938, General Motors Heritage Center and Media Archive, Sterling Heights.

favorable public reaction had already begun working on moving the design from concept to production.

The Corvette team had high hopes for its American copy of the European sports car. In planning documents written as early as November of 1952, the team was anticipating high public interest and noting that, "during that year [1953] 1,000 cars are expected to be produced... If the new car is well received by the public, it is expected that 10,000 cars will be produced in 1954." It is interesting to note that the estimate of 10,000 cars in 1954 was clearly influenced by the sales numbers of MG, which were approaching those levels. This reinforces the point that General Motors was basing not only the design, but also the anticipated sales performance on the model of MG. It should also be noted that they were not necessarily incorrect in these assumptions, as Chevrolet reportedly received over 7,000 letters following the Corvette's Motorama debut from enamored Americans ready and willing to purchase the car, should it go into production. 274

In another instance of MG influence designers were instructed to use existing Chevrolet or General Motors parts wherever possible as a cost saving measure. For instance, in meeting minutes from November 26<sup>th</sup>, 1952, the Corvette team was told that, in regard to the fuel system, "Efforts should be limited to a simple oval shaped door enclosing a standard filler cap rather than any design involving complicated tooling."<sup>275</sup> This cost-cutting even extended to items on the car which effected performance. The team was instructed to use, "High lift camshaft of small profile cams so existing bearings can be used."<sup>276</sup> These instructions were given in order to meet the target

<sup>&</sup>lt;sup>273</sup> Carl F. Sibbe, "New Display Car (Opel) Model No. 2934" Letter to W.S. Wolfram, 28<sup>th</sup> November 1952, 1. 1953 Corvette Correspondence 1952, Correspondence, Box 4, DN938, General Motors Heritage Center and Media Archive, Sterling Heights.

<sup>&</sup>lt;sup>274</sup> Dave McLellan, Corvette from the Inside, 11.

<sup>&</sup>lt;sup>275</sup> "Opel Project: Meeting held in Mr. Collins Office Nov. 26<sup>th</sup>, 1952" Inter-Organization Letter from W.S. Wolfram to E.N. Cole and C.W. Frederick, 26<sup>th</sup> November 1952. 1953 Corvette Correspondence 1952, Correspondence, Box 4, DN938, General Motors Heritage Center and Media Archive, Sterling Heights.

<sup>276</sup> Ibid.

price point, which in 1953 included the already well-established MG. The thinking at General Motors was that in order to be competitive the Corvette could not be priced significantly higher than its European competition.

European influence extended beyond design and into production, small-batch production methods were one of the qualities that American consumers identified as an important aspect of the European sports car. Of course, small batches of specialty cars necessitated less mechanized production methods as the cost of tools and machinery could not be subsidized over tens of thousands of vehicles. Furthermore, the Corvette's body panels were made of fiberglass, at the time an exotic material. While not seizing on this as a marketing tool specifically, Chevrolet did note that:

One of the points of interest is that it is possible for a great mass production organization to step out of its normal role of producing over 500 vehicles in an hour, to make 500 specialized vehicles in two weeks. This is an interesting fact even outside the United States, where it is generally considered that American manufacturing methods are too inflexible to meet modern conditions. The was well disproved within our own knowledge... It is [now dis]proved to the whole world by such a specialized vehicle as the Corvette.<sup>277</sup>

While General Motors did not directly look to Europe for inspiration in this regard, the similarities, and therefore European influence, are difficult to overlook. Corvette assembly began not in one of General Motors massive plants, but rather in, "a vacant customer delivery building on Van Sylke Road starting at a rate of one per day."<sup>278</sup> In order to compete with the European sports car, General Motors had to adopt its European methods of small-batch or specialty production as well.

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<sup>&</sup>lt;sup>277</sup> Maurice Olley, "The Evolution of a Sports Car... The Chevrolet Corvette" Speech presented at SAE Detroit Section Meeting, 5<sup>th</sup> October 1953, 9. 1953 Corvette, Speeches and Presentations, General Motors Heritage Center and Media Archive, Sterling Heights.

<sup>&</sup>lt;sup>278</sup> Dave McLellan, *Corvette from the Inside*, 12.

Despite consumer demand for the new Corvette, and for sports cars in general, Chevrolet fumbled the car's public release in 1953 and 1954. Chevrolet earmarked the first 300 production Corvettes, all the 1953 model year cars, for VIP customers in an apparent attempt to follow MG and Jaguar American marketing. Early British sports car marketing, as discussed in the second chapter, tended to feature American Hollywood stars or other local American VIPs driving their sports cars. As McLellan argues in the case of the Corvette, "The idea was to get these powerful and high-profile people to tell their friends what a great car the Corvette was, thus setting the stage for the Corvette's sales success."279 Unfortunately for Chevrolet, this strategy was coupled with lax quality control on those initial 300 cars, which was made worse by production personnel's unfamiliarity working with fiberglass. As a result, the first cars suffered from large, ill-sealing panel gaps, leaks, paint defects, temperamental engine performance due to sensitive carburetors, and a folding-top mechanism which easily jammed.<sup>280</sup> Therefore, the VIPs did not enjoy their Corvettes, and most ended up parked in garages rather than out on the street garnering publicity. Furthermore, when the Corvette went on sale to the general public for the 1954 model year it disappointed enthusiasts who were interested in performance. Paul Ingrassia argues that, "The first 'Vette was an embarrassment. It was powered by the... 'Blue Flame six,' which... was a lackluster six-cylinder engine. Instead of a proper manual transmission that a driving enthusiast could shift with precision, the Corvette had a performance sapping two-speed automatic called 'Powerglide." <sup>281</sup> In just two short years from a popular public reception at the Motorama, the Corvette appeared to be a bona-fide flop. Roughly one-third of all Corvettes produced for the 1954 model year remained unsold, over 1,000 cars. In fact, the corporate rumor mill indicated that the

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<sup>&</sup>lt;sup>279</sup> Ibid. see also Address to the Marketing Association of New York, 28<sup>th</sup> April 1954. Chevrolet Engineering Speech File, Sports Car Speeches, 4139.01, General Motors Heritage Center and Media Archive, Sterling Heights.

<sup>&</sup>lt;sup>281</sup> Paul Ingrassia, Engines of Change, 44.

Corvette was about to be cancelled.<sup>282</sup> It appeared that the American attempt to create a sports car by simply adopting most of the design elements would be a failure.

The Corvette was saved two factors, the first of which was the timely intervention of a Chevrolet engineer, Zora Arkus-Duntov, a European immigrant who had extensive experience in automobile racing. Duntov was born in Brussels, raised in Saint-Petersburg, and, fortunately for his engineering ambitions, taken to Germany by his step-father's diplomatic assignment in 1927. After a few years attending university in Germany Duntov bought a 1922 Bugatti and proceeded to practice driving around the streets of Berlin, where he met fellow enthusiasts and developed his reputation as an engineer and aspiring driver. <sup>283</sup> Duntov emigrated to the United States following the onset of war in Europe and brought his passion for motorsport and automotive performance to work for General Motors after seeing the Corvette concept on display at the 1953 Motorama. Importantly, Duntov had not quit racing, in fact, he had impressed Porsche racing manager Hutschke von Hanstein with his performance driving for Allard at Le Mans in 1953 enough so that he was asked to drive for the Porsche team at Le Mans in 1954. Granted permission to do so by Ed Cole on Chevrolet's dime, Duntov returned with a class victory, as well as, "a technical analysis of the major entries as well as his theories on aerodynamics..."<sup>284</sup> Duntov would take this practical experience in European racing and use it as a benchmark to enhance the performance of the Corvette seeking a balance between European handling and American power.

The second key factor saving the Corvette was the fact that by 1954 the competition between Ford and General Motors had grown incredibly fierce and General Motors could not be seen losing any ground to Ford. Indeed, the competition was so intense that historian Ed Cray calls

<sup>282</sup> Ibid

<sup>&</sup>lt;sup>283</sup> Jerry Burton, *Zora Arkus-Duntov: The Legend Behind Corvette* (Cambridge: Bentley Publishers, 2002), 31-55. <sup>284</sup> Ibid. 177-179.

to attention the fact that both manufacturers spread the burden beyond their corporate headquarters, putting, "increasing pressure on their dealers, delivering unordered cars, threatening cancellation of franchises if dealers were deemed laggards, and drastically cutting margins near the end of the year to deal off the last of the 1954 models."<sup>285</sup> The Thunderbird therefore represented a significant challenge, it was a two-seat roadster, and although it was not advertised as a sports car, the intent to compete in the same market as the Corvette seemed clear. This gave Duntov a practical angle to exploit in his memos to senior executives, pressuring them to keep the Corvette alive. As Duntov noted in his blunt style, "Ford enters the field with the Thunderbird, a car of the same class as the Corvette... If Ford makes success where we failed, it may hurt."286 In this highly competitive environment Chevrolet could not appear to be weak, especially by not being able to compete with comparatively miniscule manufacturers such as MG, Jaguar, and Porsche in a niche of its own domestic market. This notion was repeated to the Marketing Association in New York in late April of 1954, in which the speaker for General Motors remarked, "How could the American automotive industry, with its tradition of achievement, allow European manufacturers to create and dominate a new market right in our own front yard?" 287 With the Corvette model saved by these contingencies, Duntov and the rest of the Corvette design and engineering team set out to make improvements, adapting the original heavily European-influenced design to appeal to a broader American consumer base.

During the period from 1954 to 1962 the Corvette underwent styling, design and engineering upgrades as General Motors turned from copying the European sports car to adapting it for an American audience. The first, and most important change came in the offering of

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<sup>&</sup>lt;sup>285</sup> Ed Cray, Chrome Colossus, 364.

<sup>&</sup>lt;sup>286</sup> Zora Arkus-Duntov, quoted in Paul Ingrassia, *Engines of Change*, 46.

<sup>&</sup>lt;sup>287</sup> Address to the Marketing Association of New York, 28<sup>th</sup> April 1954. Chevrolet Engineering Speech File, Sports Car Speeches, 4139.01, General Motors Heritage Center and Media Archive, Sterling Heights.

Chevrolet's new 265-cubic inch V8 as an optional powerplant. The V8 produced more power, around 195 horsepower, which increased to 210 for the 1956 model year. <sup>288</sup> That was coupled with the addition of a three-speed manual transmission rather that the two-speed Powerglide, which appealed to sports car enthusiasts. The changes kept coming steadily, in 1958 the car grew a few inches in overall length giving better interior ergonomics at the cost of additional weight. Nearly all the changes in the first generation of the Corvette, known as the C-1 among enthusiasts, made the car a more potent performer in terms of acceleration and power, however Chevrolet designers struggled to maintain a balance of European and American touches to preserve the cars sporting image. As McLellan argues, by 1958 the, "formula for a sports car that the public would buy was now starting to become clearer. Not only did the car have to perform... it had to offer its civilian owner reasonable creature comforts. Customers would not put up with water pouring in on them during a rainstorm..."<sup>289</sup> For instance, the addition of the manual transmission also came with the inclusion of glass roll-up windows, instead of the clear plastic screens which had to be buttoned or zipped into position on the earlier cars. These changes made the Corvette more viable to a broader range of American consumers, however it did erode the European feel and image of the earlier cars.

The Corvette's first major re-design for the 1963 model year, however, represented a clear shift in strategy. Where the first generation had copied an existing European performance and design archetype, the second generation of the Corvette appropriated the best aspects of American and European design and engineering to articulate a truly American vision of the sports car. While the Corvette's low sales numbers, roughly 10,000 per year since 1956, left the team straddling a

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<sup>&</sup>lt;sup>288</sup> Karl Ludvigsen, *Corvette*, 14.

<sup>&</sup>lt;sup>289</sup> McLellan, Corvette from the Inside, 34.

fine line between turning the Corvette into, "an affordable, but unsophisticated sports car and a costly state-of-the-art sports car which would meet the demands of the sports car enthusiast," several key changes had been made to boost the Corvette's performance. <sup>290</sup> In a nod to American customer preference, Chevrolet offered only a V8 engine in 1963; nearly all Corvettes ordered after 1955 had the optional V8. Furthermore, it was a comparatively large V8, 327-cubic inches which produced nearly 350 horsepower. As Paul Ingrassia argues, "the new V8 offered the chance to transform the Corvette from a pretty toy into a European-type sports car with an American flavor."291 In addition to the improvements under the hood, the 1963 Corvette would also be available in a fixed-top coupe body style for the first time. The coupe as a package was much friendlier to a wider range of American consumers, especially those in the mid-west and east coast regions who had to deal with severe weather. However, at the same time this distanced the Corvette from its European competition which were still predominantly soft-top convertibles. The other key development for the 1963 Corvette was an independent rear suspension (IRS), however it was not the European, swing-axle type which had been used on the Porsche, Mercedes 300SL, and 1960-1965 Chevrolet Corvair. In fact, there was some question of the origins of the design among automotive journalists, "Did he [Duntov] come by the idea from English designs of the same type?"<sup>292</sup> In fact, it was a new design, taken from the Chevrolet Experimental Research Vehicle (CERV I), a mid-engine development mule, and represented a significant improvement in engineering. It also demonstrated that while Chevrolet's design team was still seeking to compete with European performance, it was no longer simply looking to European automotive developments. Instead, the Corvette design team was seeking new, American solutions in the

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<sup>&</sup>lt;sup>290</sup> Ibid, 45.

<sup>&</sup>lt;sup>291</sup> Paul Ingrassia, Engines of Change, 46.

<sup>&</sup>lt;sup>292</sup> Jerry Titus, "Road Test 30/62: 1963 Corvette Stingray" *Sports Car Graphic* November 1963, 19. Library of Congress, Washington D.C.

pursuit of European sports car performance, hybridizing aspects of the original design philosophy to suit a broader range of American consumers.

## 4.2 An American Appropriation: The Ford Thunderbird

The Ford Thunderbird represents another American automaker's attempt to compete with the European sports car, however it was motivated by Chevrolet's Corvette project. The Corvette caught Ford off-guard, and due to the intense competition between the two largest automakers in the world, forced a rapid response. Therefore, the Thunderbird was an attempt to compete with an American copy of a European sports car, and furthermore, Ford's lateness in entering the market meant that Ford was able to observe the release of the Corvette and avoid some of its more costly failures. The Ford Thunderbird therefore represents an American appropriation of an American adaptation of the European sports car ideal; it borrows styling cues from European automakers, but, in terms of utility, performance, and handling, represented a more typical American production car. The Thunderbird was intended to be a quick car, but it was not intended to be a sports car – to be competitive in the types of amateur motorsports that an increasing number of American enthusiasts were beginning to enjoy in their European imports.

Ironically, it was a General Motors executive who foresaw that the sports car market in the United States would move away from pure performance machines and more toward luxury, but Ford Motor Company which actually provided the product to take advantage of market trends. General Motors' Maurice Olley, speaking in 1953 predicted that, "As the sports car appeals to a wider and wider section of the public, the center of gravity of this theoretical individual is shifting

from the austerity of the pioneer towards the luxury of modern ideas."<sup>293</sup> Ford quickly picked up on this fact when the Corvette offered many of the things American enthusiasts said they wanted in a European sports car, but was not reflected in actual sales of the Corvette, which were quite low. Furthermore, as will be discussed in greater detail in the final section of this chapter, enthusiast reaction to the Corvette was very mixed. What General Motors had failed to realize at the Motorama of 1953 was that the Corvette display car appealed to the general public, a consumer base which had different standards and expectations than enthusiasts, and especially the hardcore, SCCA member enthusiast. The distinction is perhaps best illustrated by an excerpt from an article on American sports cars in a 1956 issue of Sports Cars Illustrated, "The American sports car buyer wants to travel with speed and distinction, but he is not interested in freezing to death or struggling with a clutch and gearshift and will not sacrifice comfort and carrying capacity... the out-and-out enthusiast market is a very limited yet vocal group, and that a more versatile vehicle will reach much wider acceptance."294 Most non-enthusiast Americans wanted a vehicle with decent fit and finish, no leaks, V8 power, and a touch of European style that hinted at the potential of highperformance. This was what Ford designed the Thunderbird to provide, rather than a machine for the enthusiast to take to the track.

The Thunderbird was therefore a hybrid of American and European design and styling elements which Ford anticipated appealing to a wider range of American consumers. However, this meant that in the eyes of sports car enthusiasts, the Thunderbird was not a sports car. Since the Thunderbird was a rushed project to compete with the Corvette it borrowed much of its initial

<sup>&</sup>lt;sup>293</sup> Maurice Olley, "The Evolution of a Sports Car... The Chevrolet Corvette" Speech presented at SAE Detroit Section Meeting, 5<sup>th</sup> October 1953, 9. 1953 Corvette, Speeches and Presentations, General Motors Heritage Center and Media Archive, Sterling Heights.

<sup>&</sup>lt;sup>294</sup> Karl Ludvigsen, "Sports Cars... in the American Tradition," *Sports Cars Illustrated* Vol. 1 No. 8 March 1956, 11. Library of Congress, Washington D.C.

design cues from the Chevrolet. For instance, the Thunderbird had the same odd 102-inch wheelbase of the Corvette. Notably, the Corvette borrowed this from the XK-120 Jaguar and it interesting to note that this design quirk from a British manufacturer managed, for a brief time, to become an industry standard. However, unlike the Corvette. Ford was not interested in making an exact copy of either the Corvette or the European sports car. Ford was instead looking towards trends in the mainstream American automotive market, and therefore borrowed styling elements from American hot-rod subculture. John Heitmann notes this in *The Automobile and American Life*, "As a result, the style of the first Thunderbirds mixed a touch of European influence with such hot-rod features as a hood scoop, 'frenched' headlights, and dummy fender louvers." Furthermore, the Thunderbird eschewed the inline six-cylinder engine archetype popular in higherend European sports cars, and offered a powerful V8 engine from the beginning. The additional weight a power of the V8 meant that the Thunderbird could accelerate very quickly, but did not handle as well as the Corvette or smaller European sports cars.

Because Ford was focusing on a different target market than the European sports car, they also understood that the vehicle would need to be marketed very intentionally. As early as 1954 Ford had established a clear rational for its marketing and merchandizing of the Thunderbird. While General Motors had gone directly after the European importers in the sports car market, Ford repeatedly stated that the Thunderbird was not a sports car. In a presentation to the Society of Automotive Engineers in 1954, Ford Executive W.E. Burnett, argued that the Thunderbird represented the, "successor to the American Sports car." Specifically this successor to the sports

<sup>295</sup> John Heitmann, *The Automobile and American Life* (Jefferson: McFarland and Co., 2009), 143.

<sup>&</sup>lt;sup>296</sup> W.E. Burnett, "The Ford Thunderbird" Presentation to Society of Automotive Engineers, 13<sup>th</sup> December 1954, 1. 92.99, Box 2, Acc. 1767 Thomas B. Case Collection, The Benson Ford Research Center, Dearborn.

car was developed to alleviate some of the drivability issues that came with the sports car as a class of vehicles:

Although the Ford Thunderbird has the performance and sleek racy styling of the sports car class of vehicle, it emphasizes passenger car comfort and conveniences, and retains the resemblance of the Ford family of automobiles. The Ford Thunderbird was American conceived and designed specifically and primarily for the American public. The name itself reflects Americana since the 'Thunderbird' in Indian lore was representative of power, swiftness, and prosperity... It was designed to only to appeal to the sports car enthusiasts, but also to those of the general public who desire a distinctive type of personal transportation.<sup>297</sup>

Ford's presentation of the Thunderbird stresses that it is an American product, designed for an American consumer used to driving the 'Detroit Iron' that sports car enthusiasts constantly bemoaned. This speech clearly sets the Thunderbird apart from much of its competition, and also establishes an expectation among consumers. Whereas the Corvette attempted to capture an element of 'European-ness' in the Corvette, the Thunderbird rejected European driving qualities as a desirable asset.

The Thunderbird was a poseur, a car for an American consumer who wanted the conveniences of a typical American car with the co-opted image of European sport. Along these lines Ford began locking down terminology and design rationale, making sure to remind employees at all levels to not call the Thunderbird a sports car. Indeed, even Executive communiques stress that, "The Thunderbird is not a sports car – it is more truly a personal or boulevard car for the customer who insists upon comfort and yet would like to own a prestige vehicle that incorporates the flair of performance characteristics of a sports car." Executives

<sup>&</sup>lt;sup>297</sup> Ibid, 3.

<sup>&</sup>lt;sup>298</sup> L.D. Crusoe, "Proposed Price for the Ford Thunderbird" Executive Communication to W.A. Williams, T.O. Yntema, 22<sup>nd</sup> September 1954. Box 66, Acc. 998 Walker Williams Collection, The Benson Ford Research Center, Dearborn.

also pointed out the all-weather durability of the Thunderbird – since a hardtop convertible was technically the base model – which they determined, "differentiate[d] the Ford Thunderbird from the Chevrolet Corvette which appears to have been directed toward the sport car market, is 'foreign' in appearance, is not an all-weather car, and is relatively high priced." These ideas at the executive level were eventually carried out in marketing campaigns like a full color spread on the back page of *Sports Car* which read, "A distinguished kind of personal car that combines sport car styling and performance with passenger car convenience." In the marketing material comfort, utility, and image were emphasized over performance. Merchandized and marketed this way, the Thunderbird represented an appropriation of the European sports car by an American manufacturer, where the style and imagery of sport was claimed without those features being a part of the actual product.

Despite Ford's clear intentions the reality of the American automotive market was more complex and the Thunderbird would compete with imported European sports cars as well, not just the Corvette. While in its first conceptual phase the Thunderbird had originally been intended to outperform the Corvette and XK-120 Jaguar, when the objective was later shifted to style and comfort Ford executives also shifted the price lower to make the car more attractive to consumers. Ford executive Walker Williams noted in an inter-company memo to colleagues on the Executive Committee that, "At \$2,965 suggested list, the Thunderbird would sell for less than either the Corvette or the Jaguar." In fact, when Ford was developing the base price for the Thunderbird

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<sup>&</sup>lt;sup>299</sup> Ibid.

<sup>&</sup>lt;sup>300</sup> "Enchantment Unlimited... the new Ford Thunderbird" Full page color advertisement appearing on the back page of *Sports Car* Vol. 11 No. 6 November-December 1954, 62. v.11 no. 1, 6 1954, SCCA 'Sports Car' Box 1, The Benson Ford Research Center, Dearborn.

<sup>&</sup>lt;sup>301</sup> Walker Williams, "Proposed Price for the Ford Thunderbird" Executive Communication to Members of the Executive Committee, 26<sup>th</sup> September 1964. Box 66, Acc. 998 Walker Williams Collection, The Benson Ford Research Center, Dearborn.

they were paying close attention to trends among the import brands. The following excerpt from a corporate document establishing the rationale for the Thunderbird's suggested price in 1954 shows just how closely Ford was watching the import sports car market: "While consumers prefer the Jaguar 10 to 1 over MG, MG, through its lower price has consistently outsold the Jaguar until this year. However, late in 1953, Jaguar reduced its prices approximately \$600, and its penetration has risen 43% in 1954. To date in 1954 is has actually outsold the MG." Taking note of these developments, Ford again de-emphasized performance and decided to compete on a price-point basis, and as noted earlier price the Thunderbird under its main competitors, Chevrolet and Jaguar. This is also illustrative of the dominance of British automakers in the sports car market, as these documents illustrate that outside of Chevrolet they are the only manufacturers Ford deemed worth studying.

The initial marketing of the Thunderbird demonstrated again that American manufacturers were treating the sports car market like an export market; a market that needed to be broken into, rather than a part of their own domestic market. Taking inspiration from Chevrolet's – and MG and Jaguar before – initial marketing campaign, Ford chose to release the first 450 Thunderbirds to Hollywood celebrities and other VIP customers. However, learning from Chevrolet's mistake releasing the initial batch of Corvettes with severe quality defects, Ford screened those 450 cars tightly through its Factory Delivery Department. The cars were first inspected at the factory, and a circular sent to Ford dealerships encouraged further screening:

Dealers should be encouraged to make a very thorough pre-delivery examination of all Thunderbirds... The vehicle should also be checked against the customer's order to be sure that all special equipment is installed and in proper condition.

<sup>&</sup>lt;sup>302</sup> L.D. Crusoe, "Proposed Price for the Ford Thunderbird" Executive Communication to W.A. Williams, T.O. Yntema, 22<sup>nd</sup> September 1954. Box 66, Acc. 998 Walker Williams Collection, The Benson Ford Research Center, Dearborn.

Furthermore, the pre-delivery operation should include a thorough road test and cleanup of interior and exterior surfaces.<sup>303</sup>

The VIP treatment did not end when the customer finally received the keys during a short 'delivery ceremony,' as dealers were strongly encouraged to reach out after a few days, and again after a few weeks, to ensure that the customer was fully satisfied with their new car. After all, this was a marketing exercise, and Ford realized that, "Only in this way, can we insure[sic] that our new line of vehicles gains immediate and complete customer acceptance and enjoys an outstanding reputation." Ford was rewarded for this tight quality control when early customers like John Wayne and Marilyn Monroe were frequently seen driving their 1955 Thunderbirds around Hollywood. While Ford was more closely copying Chevrolet's marketing efforts, this is illustrative of Ford's co-opting a marketing philosophy originally displayed by British manufacturers in their attempt to break into the American market.

Following the successful public display of the Thunderbird at the 1954 Detroit auto show, and the subsequent soft-release of the car to preselected customers in late 1954 as 1955 model year cars, Ford appeared to have more adequately gauged the desires of American consumers. Whereas only 700 Corvettes were sold in 1955, Ford sold over 14,000 Thunderbirds, a remarkable achievement in a market niche which had previously seen that total number of sales per-annum. Looking forward to 1956 Ford decided that, "due to the specialized nature of its market, Thunderbird model changes from year to year should not follow the regular passenger car pattern,"

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<sup>&</sup>lt;sup>303</sup> Carl T. Doman, "Initial Delivery of Thunderbirds" General Sales Bulletin #1483 to Regional and District Sales Managers and Regional Service Managers, 22<sup>nd</sup> October 1954. Box 66, Acc. 998 Walker Williams Collection, The Benson Ford Research Center, Dearborn.

<sup>&</sup>lt;sup>305</sup> John Hetimann, *The Automobile and American Life*, 143.

<sup>&</sup>lt;sup>306</sup> Douglas Brinkley, Wheels for the World, 363.

but rather should feature engineering updates rather than yearly stylistic updates.<sup>307</sup> Therefore, it was planned that the style and design of the Thunderbird would remain relatively unchanged until a major body shell update in 1958, but that in the interim the car would get performance and drivability upgrades like fuel-injection, improved ventilation, and improved ride and handling. However, noting that Ford's pursuit of comfort and utility had paid off in a sales boon, it was also recommended that Ford move the Thunderbird even further away from the sports-car inspired design. In fact, "Consideration should be given to development of a new body shell including... 4-passenger model... station wagon model."<sup>308</sup> While there never was a station wagon bodied Thunderbird, it did gain an extra set of passenger seats in 1958, again demonstrating Ford's focus on the American themes of comfort and utility over performance. While the Thunderbird would continue to be a sales success well into the 1960s, it was not as a Corvette or Jaguar competitor and thus moved the Thunderbird firmly out of the realm of European performance and beyond the interest of most American enthusiasts.

### 4.3 Opel: If You Can't Beat them, Import Them

By the mid-1960s the performance car market in the United States had changed dramatically. The influence and prestige of British manufacturers was waning as American automakers churned out 'pony cars,' and 'muscle cars,' like the Mustang, Camaro, Firebird, and GTO which appealed to much broader consumer sectors. These cars defined performance in American terms, they were large, powerful, and could be tremendously fast in a straight line. They were designed for drag racing, an American motorsport in which the only qualities of a car that

<sup>&</sup>lt;sup>307</sup> "Forward Car Product Planning: Forward Car Plans" Confidential Report, 1955, 1. Folder 92.99 Forward Car Plans for Tbird Model Year 1956, Box 1, Acc. 1767 Thomas B. Case Collection, The Benson Ford Research Center, Dearborn.

<sup>&</sup>lt;sup>308</sup> Ibid, 4.

mattered were massive horsepower and the ability to transfer that power into forward motion. At the same time, the import scene had changed as well; German imports were no longer solely represented by the thrifty yet sluggish Volkswagen Beetle or the awkwardly shaped early Porsches. In fact, German manufacturer Porsche had captured a significant segment of the enthusiast market by the 1960s, and early Porsches helped establish the legend of German engineering superiority among American sports car enthusiasts. Bayerische Motoren Werke (BMW) was also beginning to enter the American automotive market, importing its unique sports-sedans that were garnering high praise in the enthusiast press. It was clear that the majority of the competitive effort of American manufacturers would be spent satisfying consumer demand for the muscle cars and pony cars which symbolized the decade, however, this left unsatisfied the enthusiast contingent who still wanted a 'European' style sports car. It also seemed to be clear that American manufacturers couldn't compete with the European sports car directly, a lesson illustrated for General Motors by the Corvette, which had to become more 'American' to survive. Therefore, in a second attempt to engage the enthusiast market, General Motors would import its own captive European brand, Opel.

This was not a first for General Motors or Opel. Adam Opel AG, GM's wholly owned German subsidiary first imported cars to the United States in 1958 to counter the Volkswagen Beetle. However, by 1968 it had also sprouted two sports models, the Kadett Rallye and the GT. Both were attempts to lure in the more tradition enthusiast, a customer who desired a car with European driving dynamics, European style, and European economy of operation – increasingly a factor as insurance and gasoline prices began to rise. Importantly, these two cars were designed in Germany for the German market, and therefore contributed to the transfer of culture from Europe to the United States through their marketing and consumption by Americans in the same manner as other German imports like Porsche and BMW. Both cars represented the polar-opposite of

American ideas of performance which were prevalent in the late 1960s, and their European origin, marketing, and consumption worked as conduits through which a European idea of performance would be disseminated to American consumers.

The Opel GT was intended to appeal to a different subset of enthusiast consumers, and the identity crisis the car suffered was symbolic of the complexities inherent in the adaptation, appropriation, and reflection of European sports cars by American manufacturers. Unlike the Kadett Rallye, the Opel GT had been designed for the 1968 model year as a sports car rather than a premium package on an existing economy car. While the car had been designed and built in Germany, and primarily intended for a European audience, it clearly called on the styling cues of the American C-3 Corvette. However, the marketing material for the Opel in the U.S. emphasized its European heritage, "As you point casually to the Kamm-type rear deck, mention that it's part of the GT styling that was conceived at places like Sebring, LeMans and Monte Carlo."309 This was intended to call to mind the great racing tracks of Europe, and European motorsport, clearly intended to evoke the authenticity of the Opel GT as a true European sports car and separate it from the brand image many Americans associated with General Motors. Other suggested advertising copy lines included, "The 1971 Opel GT, European craftsmanship and styling at less than you think."310 These marketing lines focus on the GTs 'European-ness', that element which had evaded General Motors attempt to capture or appropriate into the Corvette. Therefore, the GTs target audience was clearly the enthusiast who uncompromisingly believed that the best performance machines came from Europe, the kind of American enthusiast who was a member of the SCCA, and read the enthusiast press regularly. This is reinforced in the spiel on the final page

<sup>&</sup>lt;sup>309</sup> Buick Motor Division, "Buick's 1970 Opel GT" Color Brochure, 1970. 1970 Opel GT, Sales Brochures, DN 585, General Motors Heritage Center and Media Archive, Sterling Heights.

<sup>&</sup>lt;sup>310</sup> "Suggested Newspaper Ads" 1971. 1971 Opel Advertising Kit, MKTG/ADS/PROMO, DN 585, General Motors Heritage Center and Media Archive, Sterling Heights.

of the brochure, "Enthusiast, your sports car is ready... Get the message? The genuine sports car you've been waiting for it ready and waiting for you." This is also a clear indication that General Motors finally thought they understood the market which European brands had been exploiting in the United States for two decades.

Despite the GT's complicated design and styling heritage it clearly appealed to at least a subset of the enthusiast market. As *Motor Trend* reported in the spring of 1972, "Obviously a shrunken Corvette, it allowed GM to slip a sports car into the \$3,500 range to battle with the Volvo P1800 and Triumph TR6. Initially it won, you couldn't buy one of the low two-seaters anyplace, and dealers in some parts of the country were admittedly selling used GTs in new car showrooms and getting new car prices for them." In many respects this is similar to what General Motors had done originally with the Chevrolet Corvette, which was to insert it at a mid-tier price point in the sports car market. While the Opel GT was apparently popular, it was not consumed by the enthusiast crowd that the marketing material had so carefully targeted. This is indicated by the same review, which went on to note that while GTs were hard to come by due to high demand, "You never saw them at the track..." This was not entirely true, as the GT was relatively popular in the 'Showroom Stock' class of SCCA amateur road racing in the early 1970s. However, the gist of the review was correct, unlike contemporary MGs, Triumphs, Corvettes, and Porsches, the Opel GT found itself on regular streets far more often than on the track. Therefore, while

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<sup>&</sup>lt;sup>311</sup> Ibid.

<sup>&</sup>lt;sup>312</sup> John Lamm, "Trying to Live with Big Brother: The Opel GT Takes on the Opel 1900 and Guess Who Wins?" *Motor Trend* April 1972. 1972 and Press Article Reprints, Press Articles, DN 585, General Motors Heritage Center and Media Archive, Sterling Heights.

<sup>&</sup>lt;sup>314</sup> David R. Sullivan, "Showroom Stock Primer" *Sports Car* Vol. 32 No. 4 (1974): 22-24. V.32 no.4,7 1974, Box 5, SCCA 'Sports Car', The Benson Ford Research Center, Dearborn.

Americans who consumed the Opel GT were still exposed to elements of a European enthusiast culture, it was a far less powerful platform for cultural transfer than its cousin, the Kadett.

Of the two Opel cars, the Kadett Rallye and the GT, the Kadett Rallye was far more important in terms of cultural transfer. Kadett Rallye advertising made sure to point to the car's, "radial tires... front power disc brakes and stiffer suspension," along with a modified "Super Kadett engine with twin intake manifolds, carbs and exhausts" 315 Radial belted tires were relatively new and expensive in 1968 and represented a significant step forward in terms of driving dynamics, especially grip. Power front disc brakes also represented the leading edge of automotive technology, offered as optional equipment on American cars like the Mustang, Firebird and Camaro. However, these items reinforce the fact that this was performance in European terms, the Opel's factory modified engine put out a measly 67 horsepower – albeit out of only 91 cubic inches of displacement – in an era where even the cheapest Camaro or Firebird with the base 230 cubic inch inline-six was rated at 140 horsepower. Furthermore, almost all of the performance equipment highlighted by the first Kadett Rallye advertisements made the car handle and corner better, not necessarily faster when compared to GM's domestic pony-cars with massive horsepower and straight-line performance. The clash between the two conceptions of sport is illustrated in *Popular* Imported Cars, an enthusiast's magazine, the Opel Rallye was briefly compared to the "familiar VW [Beetle] sedan," and acknowledged as a fairly sporty car, yet the last line of the review, "We can almost guarantee that it [Kadett Rallye] would take the boredom out of your daily 'commute'," draws to attention the economy of operation that came with some European sports cars and was missing in all of their American counterparts.

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<sup>&</sup>lt;sup>315</sup> Buick's Opel Kadett, 1967: The Year You Get Opel Fever, Brochure, 1967. 1967 Opel Kadett Sales Brochures, DN585, General Motors Heritage Center and Media Archive, Sterling Heights.

The name of the model itself, Kadett Rallye is significant, and is itself an embodiment of the transfer of enthusiast culture that had begun with the first British imports, and would continue with the Opel. Rallye is a deliberate misspelling of the word Rally, a popular type of motorsports event among European enthusiasts. This form of motorsport was almost entirely new to the United States when it was first introduced through the British sports cars and car culture of the late 1940s and early 1950s. Prior to its postwar introduction to Americans, rally was a European motorsport practiced on the much narrower, winding roads that crisscrossed western and central Europe which emphasized control and handling over outright power. The "tracks" on which these races took place were usually a mix of paved and unpaved roads, with numerous variations of rules and regulations to ensure a level playing field. However, the popularity of rally was mostly limited to sports car enthusiasts in the United States. This is demonstrated by the fact that all Buick-Opel dealers received a packet with the following cover letter from the General Manager of the Buick-Opel Advertising division, "This is a concise and comprehensive study of Rallying, covering most all the questions that will come up about Rallying and some suggestions on how you can use them in increasing your sales and traffic for Opel."316 The "concise and comprehensive" study is over fourteen pages long and goes over basic questions like, "What is a Rally?" and, "What Kinds of Rallies are There?" According to Buick-Opel there are two main types of rallies, "gimmick" and "time-and-distance." The latter is a race, "in which scoring is based upon the ability of contestants to maintain certain predetermined average speeds over a measured course. Time is the essential ingredient in determining the winners of such an event although distance may be used occasionally

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<sup>&</sup>lt;sup>316</sup> Miller, Gerald M. Buick-Opel Division, GMC. *Rallying And What It Can Do For You* Letter January 31, 1967. 1967 Opel Rallye Advertising Kit, MKTG/PROMO, DN 585, General Motors Heritage Center and Media Archive, Sterling Heights.

as a tie-breaker or as an additional factor in establishing final place standings."<sup>317</sup> It is important to note that Buick-Opel are not referring to the time-trial or "rally-cross" rallies that were popular in Europe. In these events it was not only about average time, but *fastest* average time.

The Rallyist packet also informed dealers what enthusiast consumers would be looking for in a rally-ready vehicle. This information was primarily intended to help Buick dealers make sales to enthusiasts, a market which they had little experience with. In this case the packet contained an equipment list tailored towards increasing sales of dealer-installed options, "important to the Rallyist in sequence of greater importance." The first three items on the list, "1. Tires, 2. Heavy duty suspension, 3. Counters (driven mechanically from a front wheel and adjustable for error," were key aspects of the car that point to the attempt to appropriate European standards of performance. However, the rest of the items were specifically intended for competitive rallying and included, "4. A 24-hour clock, 5. WWV Frequency incorporated into the standard broadcast radio for Arlington time signal, 6. A map light mounted on the passenger side of the dashboard in such a manner as to illuminate a clip-board without blinding the driver. The Rallye Kadett was therefore clearly aimed at American enthusiasts who intended to compete seriously in rallying, a European motorsport, and was also a consumer group who would have a depth of experience in European cars and European driving dynamics.

However, not all reviewers were impressed with the equipment and suspension that came on the Rallye. The American enthusiast press pointed out that, "It comes back to nomenclature – it is perhaps too much like a rally car set up for gravel stages. Those beasts sit so high and display

<sup>&</sup>lt;sup>317</sup> Buick Motor Division, *Rallying*, 1967, p.1. 1967 Opel Rallye Advertising Kit, MKTG/PROMO, DN 585, General Motors Heritage Center and Media Archive, Sterling Heights.

<sup>&</sup>lt;sup>318</sup> Ibid, 3.

<sup>&</sup>lt;sup>319</sup> Ibid.

<sup>&</sup>lt;sup>320</sup> Ibid.

so much, that mere mortals would think they have a broken spring. Fine! Rally drivers expect this, but it still doesn't make the Rallye Kadett a rally car for pros. Nor is it a winding road car for amateur. It is a long-range high-speed touring vehicle — or would be with more than 200 miles worth of gas tank."<sup>321</sup> Their complaint that the suspension is not set for the normal driving that most Kadett's would see over their service life seems at first to be rather logical. However, this is illustrative of the attempt to reconcile two different ideas of what a sports car is, one along American lines, tuned for paved surfaces and high-speed cruising, and the other along European lines, tuning for a varied driving environment. Nevertheless, the Opel Kadett Rallye represented a car that came from the factory specialized and modified for a European motorsport, engaging American drivers in a more visceral way with a type of European automotive culture.

Buick-Opel actively endorsed the "rally" as a legitimate motorsport in a marketing ploy to sell a greater volume of Kadett Rallyes to Americans, yet by promoting rallying it encouraged a European motorsport and enthusiast culture to spread in America. A concise history of Opel's success in European rallies occupies the entirety of the twelfth page of the packet noting participation in such prominent events as the Monte-Carlo Rally, the Rally of the Flowers, and the Tour De Europe, and illustrates Opel's deep engagement with the motorsport. It should be emphasized that this was not a stagnant history of past success: Opel was a strong competitor in the European professional Rally scene. As one American enthusiast periodical reported, "Another big surprise in the first two championship qualifying rallies of 1968 have been the performance of the new 1.9 liter Opel Rallye Kadetts, although perhaps it is still a little too early to prove whether their unquestioned speeds are matched by similar qualities of road-holding and reliability." 322 It

<sup>&</sup>lt;sup>321</sup> Slowinger, "Road Test: Opel Rallye Kadett" *Foreign Car Guide*, 1968. 1968 Opel Press Article Reprints, Press Articles, DN 585, General Motors Heritage Center and Media Archive, Sterling Heights.

<sup>&</sup>lt;sup>322</sup> John Blunsden, "European Rally Scene" *Sports Car Graphic* Vol. 8 No. 4 April 1968, 21. Library of Congress, Washington D.C.

was therefore suggested that in order to promote the car in the United States, dealerships could use, "factory support... [to] form local Opel Rallye Clubs – stage competitive events etc." As a sign of seriousness on behalf of Buick-Opel the packet also notes that, "The Opel might be entered in the major rallies across the U.S. with an assigned driver. Top performances could be merchandised and possibly advertised in to the motor enthusiasts." At least one dealer responded to this call-to-action; Reynolds Buick-Opel of California sponsored a team in the 1967 Road Rally USA and ended up winning the under-1,100cc class. Therefore, and perhaps somewhat ironically, General Motors, the largest American automaker, popularized a European motorsport and enthusiast culture among American consumers through its dealer network and marketing initiatives for the Opel Kadett Rallye. While the Kadett Rallye may not have sold more than a few thousand units in the United States over its production run, the cars effectively transported a portion of European enthusiast culture to Americans.

# 4.4 The Enthusiast Reaction to the Corvette

American automotive enthusiasts reacted to Detroit's attempt to break into the sports car market with a varied mixture of hope, resentment, praise, and derision. The enthusiast press had been exhorting American manufacturers to build sporty cars since the first British sports car had introduced American consumers to European performance. Articles like "J'accuse" which appeared in the SCCA's periodical *Sports Car*, or the entire opening chapter of Ken Purdy's *The Kings of the Road*, encouraged American automakers to call on American ingenuity and reproduce

<sup>&</sup>lt;sup>323</sup> Buick Motor Division, *Rallying*, 1967, p.11. 1967 Opel Rallye Advertising Kit, MKTG/PROMO DN 585 General Motors Heritage Center and Media Archive, Sterling Heights.

<sup>&</sup>lt;sup>324</sup> Jean Calvin, "Pro Rallies in the U.\$.A." *Sports Car Graphic* Vol. 7 No. 10, October 1967, 68. Library of Congress, Washington D.C.

the sports car, or at least capture its performance in an American-made vehicle.<sup>325</sup> However, this proved a difficult request to satisfy and the only American manufacturer to really attempt this was Chevrolet with its Corvette. Enthusiasts expressed wildly differing opinions on the Corvette as they grappled with what it meant to consume an American product in a field traditionally dominated by European manufacturers.

General Motors' best efforts in this regard, the Chevrolet Corvette, which resulted in the production of as near a copy as possible of the Jaguar XK-120, left many enthusiasts unimpressed. This is even more perplexing given the knowledge that European enthusiasts generally responded positively to the Corvette, as indicated by this excerpt from the Porsche-produced, Germanlanguage magazine *Christophorus*, "As far as the sports cars are concerned, there is one that is really already in production: the 'Corvette' from Chevrolet ... something Italian looking and undoubtedly very pretty." Even after the vehicle had been 'Americanized' in the 1963 redesign Bernard Cahier, at the time a well-known European correspondent for the enthusiast periodical *Sports Car Graphic*, was quite impressed by the Corvette, going as far to say, "I am very enthusiastic about it [the 1963 Corvette Sting Ray] and, in fact, I would not mind at all driving one in Europe. My sincere admiration goes to both the stylists and the engineers who have created the Sting Ray and to GM for offering it at which I consider to be a very fair price." The praise coming from Europeans, the people who were arguably the most qualified to judge the Chevrolet

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<sup>&</sup>lt;sup>325</sup> Alec Ulmann, "J'Accuse" *Sports Car* Vol. 5 No. 1 (1948): 10. v. 5 no. 1-3 1948, SCCA 'Sports Car' Box 1, The Benson Ford Research Center, Dearborn.; and Ken Purdy, *The Kings of the Road* 1<sup>st</sup> Edition (New York: Bantam Books, 1952).

<sup>&</sup>lt;sup>326</sup> "Americana" *Christophorus* 1954. Porsche auf dem amerikanischen Kontinent, CRISTOPHORUS 2 1954/54, Heft 11-19, Porsche Historisches Archiv, Stuttgart.

<sup>&</sup>lt;sup>327</sup> Bernard Cahier, "GM's Prestige Cars" *Sports Car Graphic* Vol. 3 No. 4 (1963): 75. Library of Congress, Washington D.C.

attempt at producing a sports car, was not universally shared by the American consumers at which the car was targeted.

While some Europeans demonstrably regarded the Corvette as a genuine sports car, many American enthusiasts discounted the Corvette entirely. This letter to the editor from Peter Burger, a sports car enthusiast in New York, ignores the Corvette completely when he states that if the production of the Scarab – a small, two-seat, limited production car really intended mostly for the track – ended, "we won't have another American car as a possible match for the European [sports] cars..."<sup>328</sup> Burger was writing in 1963, and this is after the Corvette had a nearly ten year production history and had begun to adopt increasingly American design features and performance. Perhaps he felt these aspects removed the car from the sports car field, one which was under increasing criticism from enthusiasts and manufacturers as amateur racing became less and less amateur. This sentiment is mirrored in a nearly identical comment by another enthusiast, Doug Mayo, when he commented regarding performance and the supposed unfairness of international racing rules: "Although I myself highly favor British cars... there is no comparison between a Ferrari GT and any of the English or American equipment that he mentioned (Healey, Jaguar, Corvette)."329 While the Ferrari GT was not a sports car, and really had more in common with racing vehicles of the period, the implication that the Corvette is not a truly competitive sports car is clear.

Other American enthusiasts targeted the Corvette for its use of fiberglass for the body panels rather than the traditional steel. Fiberglass had been used because at the time of the Corvette concept car's construction General Motors predicted a steel shortage due to the onset of the Korean

<sup>&</sup>lt;sup>328</sup> Peter L. Burger "American Entry?" in "Letters to the Editor" *Sports Car Graphic* Vol. 3 No. 3 (1963): 15. Library of Congress, Washington D.C.

<sup>&</sup>lt;sup>329</sup> Doug Mayo, "Overseas Invasion" in "Letters to the Editor" *Sports Car Graphic* Vol. 3 No. 3 (1963): 15. Library of Congress, Washington D.C.

War. However, the material also had some promising qualities for a performance car: it could be lighter than all but the thinnest steel, could be more flexible, and could be replaced easily and cheaply in the case of panel damage. This should have been seen as a particularly desirable quality for a sports car used on the track as eventual body damage was inevitable in a car used for any kind of racing. Yet fiberglass in 1953 was an exotic material, and different, and therefore drew the negative attention of snobbish enthusiasts who were unwilling to accept innovation coming from anywhere but Europe. In a particularly scathing opinion piece, one enthusiast pointed out another use for the material: "If your biggest fear in life is the thought of departing from this world and having to leave your big fiberglass jewel behind – relax! A fiberglass products manufacturing company has just announced a new fiberglass casket. Yes! Now you can be buried in your beloved fiberglass. I would even hazard a guess that if all of you Corvette owners united and demanded it, this company might style their caskets to look like a Corvette. After all, is there much difference?" <sup>330</sup> The implication here is clear: the Corvette is a death-trap, and a commonly understood contextual undertone of the piece, given that it was published in *Porsche Panorama*, would have been that European sports cars were far superior in driving and especially handling dynamics. A far less incendiary riff on the same theme, also coming from a European singlemarque enthusiast club publication, was this excerpt which appeared in the Triumph Sport Owners Association's newsletter, "A Corvette by any other name would still be a great big plastic butter dish."331

However, there were enthusiasts who did like the Corvette, and felt that the car represented a truly viable articulation of the sports car archetype. Dr. Richard Thompson, who had started his

<sup>330</sup> Bill Barber, "To all Corvette Owners" *Porsche Panorama* Vol. 8 No. 1 (1963): 17. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

<sup>&</sup>lt;sup>331</sup> "Humor?" *Triumph Tracker* reprinted in *TSOA News Letter* Vol. 8 No. 5, May 1962, 3. Journals, British Motor Heritage Center, Gaydon.

amateur carrier racing Porsches before moving to production Jaguars at SCCA events was given a 1955 model Corvette, complete with the 235-cubic inch six and the two-speed Powerglide, the version of the car which was most likely to draw the ire of enthusiasts. Expecting lackluster performance and a disappointing lap time, Thompson later reflected, "Surprisingly, when I drove it in practice the times were comparable to our Jaguar... Regardless of the damage I had inflicted on the car, I was impressed. The potential was there."332 While Dr. Richard seemed to imply that the Corvette offered performance in the true European sense, other enthusiasts argued that the Corvette was a sports car even if it didn't offer European-style performance. Enthusiast Irwin Victor argued that while the performance of the Corvette was different than a European sports car, it was no less of a sports car, "The cornering ability of a Porsche is indeed a thrilling experience, equaled by few things in this world; however, the brute performance of a Corvette is a like thrilling sensation... I am now on my second Porsche and my third Corvette. After trying a mixture of Alfa, TR and MG, I am thoroughly convinced that the Porsche and the Corvette cannot be equaled..."333 Both enthusiasts were grappling with what European performance meant when it came in an indisputably American package, and what form the sports car could take. While Richards held the European model as one to be emulated, and a goal which he felt the Corvette could achieve, others found an Americanized version of European performance to be just as compelling. This is illustrative of the complexities engendered in the transfer of culture through consumption. There was no single perspective that encapsulated the views of all American enthusiasts, and while some would continue to look towards Europe for motoring performance, others were content with the American vision of the sports car articulated in the Corvette.

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<sup>&</sup>lt;sup>332</sup> Dr. Richard Thompson quoted in Karl Ludvigsen, *Corvette*, 49.

<sup>&</sup>lt;sup>333</sup> Irwin Victor, "Letters..." *Porsche Panorama* Vol. 8 No. 3 (1963): 12. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

The debate over whether the Corvette's performance was more American or European extended beyond the realm of enthusiasts and into popular culture. Popular songs like, "Dead Man's Curve" is illustrative of the struggle many enthusiasts had classifying the Corvette's performance as either American or European. William Jan Berry, half of the pop duo Jan and Dean was a Corvette enthusiast and expressed it in the 1964 hit, "Dead Man's Curve." It was a song about the Corvette and street racing, a thriving subculture of the southern California sports car scene:

I was crusin' in my Stingray late one night,

When an XKE pulled up on my right,

He rolled down the window of his shiny new Jag,

And challenged me then and there to a drag...

I flew past La Brea, Schab's and Crescent Heights,

All the Jag could see were my six taillights,

He passed me at Doheny then I started to swerve,

But I pulled her out and there we were – at Dead Man's Curve...<sup>334</sup>

In the song, the protagonist – presumably William – is challenged to a drag race, an American motorsport which the more powerful Corvette should have won handily. However, the race extends through Los Angeles, and the Jaguar outhandles the Corvette, passing the protagonist before crashing on the titular Dead Man's Curve. While the protagonist, and the Corvette are clearly the victors, it calls into questions aspects of the vehicles performance. Is the Corvette a drag racer? Is it a balanced-handling European sports car like the Jaguar XKE? In the end, the song provides no definitive answers other than the implicit argument that the Corvette is better simply by virtue of

<sup>&</sup>lt;sup>334</sup> Jan and Dean, *Dead Man's Curve*, Liberty (LRP-3361 / LST 7361), Track 1 on *Dead Man's Curve/New Girl in School*, 1964, Vinyl.

it surviving the race. The debate over the Corvette would be left to rage on in letters to the editor and opinion columns in all manner of enthusiast publications and continues to this day.

# CHAPTER 5. 'GOES LIKE SCHNELL': REGULATIONS, NIXON SHOCK, AND BMW

"In the suburbs, Biff Everykid and Kevin Acne and Marvin Sweatsock will press their fathers to buy HO Firebirds with tachometers mounted out near the horizon somewhere and enough power to light the city of Seattle, totally indifferent to the fact that they could fit more friends into a BMW in greater comfort and stop better and go around corners better and get about 29 times better gas mileage... not to mention a lot of other good stuff they didn't even know they could get on an automobile, like doors that fit and seats that don't make you tired when you sit in them." – David E. Davis, Car and Driver April 1968

By the mid-1960s it was clear that major realignments were coming to the American automotive market. The 'horsepower wars' between the American Big Three, and the sports car craze of the 1950s-1960s were being reigned-in by increasingly severe federal safety and emissions regulations. American manufacturers, especially General Motors, were facing a severe decline in consumer confidence, a result of a series of debacles beginning in the early 1960s with the Chevrolet Corvair and its blundered defense. This led to a series of increasingly restrictive federal safety regulations at the same time as environmental groups were pressuring automakers and federal regulators to reduce the toxic emissions pouring from automobile exhaust. These factors were further complicated by the Nixon shock of 1971, when President Richard Nixon announced the formal end of the Bretton Woods monetary agreements as a part of the "New Economic Policy," which suspended the convertibility of the dollar to gold. 335 Overnight the United States dollar

<sup>335</sup>See Niall Ferguson ed. *The Shock of the Global: The 1970s in Perspective* (Cambridge: Harvard University Press, 2010).

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became a floating currency and its value in relation to European currencies plummeted. This hit foreign automakers hard, especially British manufacturers like MG, Austin-Healey, and Triumph, who had established their market position in North America based on their ability to produce low cost sports cars, a competitive angle made possible by the comparatively low value of the pound sterling in relation to the dollar.<sup>336</sup>

This market upset provided a perfect opportunity for the German brand Bayerische Motoren Werke (BMW) to enter the American automotive market with a new product that combined the driving dynamics of the European sports car with the utility of a family car: the sports-sedan. BMW had been unable to penetrate the American automobile market in the 1950s since they were not able to produce a modern and innovative automobile, although the company did import small quantities of motorcycles and even a microcar, the Isetta, beginning in 1956. However, in 1961 BMW launched a major redesign of all its vehicles, called the "Neue Klasse," leading with the 1500 model. The 1500 was a stylistically modern sedan, with sporty performance from an economical four-cylinder engine, and was quite small and light by American standards. The 1500, and its later sister models, the 1600, and 2002, caught the eye of veteran automotive importer and distributor Max Hoffman, who became the sole distributor for BMW cars in the United States from 1960-1975. While going through Hoffman was a questionable choice for BMW because he was ultimately more inclined to focus on easy sales rather than building a foreign brand's image, it got BMW cars in American showrooms at the key moment when American consumer preferences were beginning to change as the traditional 'Big Three' American

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<sup>&</sup>lt;sup>336</sup> See Jonathan Wood, *Wheels of Misfortune: The Rise and Fall of the British Motor Industry* (London: Sidgwick & Jackson, 1988); Timothy R. Whisler, *At the End of the Road: The Rise and Fall of Austin-Healy, MG, and Triumph Sports Cars*, Industrial Development and the Social Fabric 13. (Greenwich: JAI Press, 1995).

manufacturers were facing a negative publicity crisis. As more and more Americans bought BMW sports-sedans, it began to alter the American perception of what a sports car could be; sports cars no longer needed to be British (or German) two-seat convertibles, nor did they need to be 2-ton American muscle cars with V8 engines of ever increasing displacement and correspondingly astronomical fuel consumption. As BMW proved, a sports car could be a sedan, with room for four adult passengers, with an engine that provided sporty performance while at the same time meeting emissions requirements and simultaneously providing reasonable fuel economy.

This chapter traces the formation of the disillusionment many American consumers felt towards domestic automakers, a process which began in the late 1960s and only grew more pronounced in the 1970s. Consumer attitudes and choices changed markedly as American manufacturers placed increasing public scrutiny on vehicle safety and emissions through repeated efforts to dodge liability, leading to increasingly strict federal and state regulations. This provided an opening that BMW could exploit with its "Neue Klasse" sports sedans and in so doing BMW redefined what a sports car could be to American consumers and created a new market niche, the sports-sedan. When emissions regulations prevented the importation of BMW's high-performance cars, they turned to American motorsports in order to keep their performance-oriented brand image. Thus, it illustrates how one European brand navigated the treacherous years increasing federal automotive legislation, the Oil Shocks, and rode the economic waves generated by the collapse of the Bretton Woods system. BMW also marks another significant turning-point in the American automotive market; it was the last major volume-production European brand to enter the American market. Thus, BMW serves as an excellent bookend case study for this project which has illustrated the influence of European sports cars on American consumers following the end of the Second World War.

This chapter is split into three sections; in the first section I use the Corvair crisis as a case study to examine how American manufacturers laid the groundwork for increasing safety and emissions legislation through inaction, poor engineering decisions, and incredibly poor public relations. The Corvair, Ralph Nader's infamous *Unsafe at Any* Speed, and General Motor's poor choice of response led to American manufacturers alienating large segments of their consumer base, leaving the door open for import brands in the sedan segment, a market traditionally dominated by American manufacturers. The second section examines BMW's approach to the US market from the company's perspective, illustrating how they sought to use Max Hoffman as a distributor to build their brand in the United States from 1960-1975, and despite success, BMW's ultimate decision to end their relationship with Hoffman. Notably, this came at the same period as the American vision of performance, the muscle car, was falling precipitously to the nadir of its popularity among American consumers. The Nixon shock and the Oil Crisis of 1973 seemed to herald the end of the American ideal of automobile design at the same time as American manufacturers abdicated their social responsibility, leaving the American market open to foreign competition. The final section examines BMW's decision to go racing in 1975 as a tool through which to build a brand image around performance in the American market. Critically, the decision was driven by emissions regulations in the United States which created difficult conditions for bringing BMW's high-performance cars to the American market. However, entering racing side-stepped this issue and established the sporting pedigree of BMW for many American consumers.

#### 5.1 'Burdensome' Safety and Emissions Regulations

In a somewhat ironic twist, the success of the American automotive industry from the 1940s through the 1960s laid the groundwork for future suffering and increasing federal regulation. As John Heitmann argues, "The hubris of executives related to consumer needs, an obsession with big cars, garish designs coming from the studios, the neglect of safety and air pollution matters, and rising prices all played into the hands of critics..."337 Of those critics, none was more vocal than Ralph Nader, a young lawyer who pillorized the Chevrolet Corvair, among other vehicles, in his book *Unsafe at Any Speed*. Nader used the Corvair to illustrate a stark point about how American manufacturers viewed their responsibility for consumer safety; or rather, how corporate profit was prized above all else. Nader's point was reinforced by the actions of American automakers in another key area relating to consumer safety, emissions regulations. Since the late 1940s Americans living in large, dense, urban areas were aware of the dangers of industrial emissions, yet automotive exhaust remained largely unregulated. However, in the face of unmistakable ties between the automobile and the smog that was in some cases literally choking large urban areas, American automotive manufacturers responded with claims that they were researching the issue. However, they never offered a solution. When the first statewide automotive emission regulations were established in California, American automakers claimed they would be unable to meet the new requirements, and sought ways to subvert the laws rather than ways to comply with them. Both of these actions indicated to American consumers that their health and safety was ultimately immaterial to the 'Big Three.' Ultimately, it did not matter to General Motors whether their cars belched noxious

<sup>&</sup>lt;sup>337</sup> John Heitmann, *The Automobile and American Life* (Jefferson: McFarland and Co., 2009),169.

emissions before flipping on their roofs going around a corner: as long as Americans continued to buy their cars and there was no legislation, American manufacturers would do very little to innovate in these areas. This was especially distressing given that at the same time General Motors was pouring resources into increasing engine power and size, even though these were already at astronomical levels and further contributed to the loss of consumer confidence they suffered in the late 1960s and only grew worse in the 1970s.

A further irony was that the Corvair-which opened the regulatory floodgate and therefore the door to the American market for BMW—was actually an attempt to compete with other German imports. The Corvair was a small – by American standards – economy car, however, it featured an air-cooled, horizontally-opposed six-cylinder engine mounted in the rear of the car, with an independent rear suspension. Despite being larger and more powerful, the Corvair was clearly inspired by German imports, primarily aimed at capturing the market for economy cars which the Volkswagen Beetle satisfied since the early 1950s. However, the Monza sport model also attempted to take aim at the Porsche sports cars, and garnered such praise as, "If Porsche built a six-cylinder sports coupe, it would have to resemble this airy and bright modified Monza," from the highly regarded *Sports Cars Illustrated*.<sup>338</sup> Furthermore, advertisements for the 'Fitch Sprint', a dealer or owner installed set of modifications to a standard Corvair, were featured in the *Porsche Panorama*, the only time advertising for an American vehicle was allowed in the Porsche Club of America's magazine.<sup>339</sup> The European design influence was also highlighted in the Corvair's sales brochures. In the 1961 Corvair brochure a full page is devoted to a color painting of a young

<sup>338</sup> Technically, this was also from *Car and Driver*, at this time *Sports Cars Illustrated* was in the process of becoming *Car and Driver*. "Corvair Monza Road Test" *Sports Cars Illustrated's Car and Driver* Vol. 6 No. 10 (1961): 72. Library of Congress, Washington D.C.

<sup>&</sup>lt;sup>339</sup> "Why Advertise a Fitch Sprint in a Porsche Club Magazine?", Full Page Advertisement, *Porsche Panorama* Vol. 8 No. 12 (1963): 4. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

woman in a short white dress who is in the process of exiting a bright red Corvair Monza parked on what appears to be a narrow European street.<sup>340</sup> The setting is intentionally vague, yet evocative of a more European than American environment. Images like these, as well as selective advertising placement in enthusiast magazines that largely catered to a consumer more interested in European automobiles worked to associate the Corvair with Europe and European driving dynamics.

The Corvair's launch into the American market initially went very well. It earned Edward Cole his picture on the cover of time magazine and a large article which praised the Corvair excessively stating, "Not since Henry Ford put the nation on wheels with his model T has such a great and sweeping change hit the auto industry. Out from Detroit and into 7,200 Chevrolet showrooms this week rolled the radically designed Corvair, first of the Big Three's new generation of compact cars. Smaller and simpler than Detroit's chromespun standards, the Corvair is like no other model ever mass-produced in the U.S."341 *Time* was not the only periodical to lay such lavish praise upon the Corvair, it also won *Motor Trend*'s Car of the Year award in 1960, the model-year of its launch. Furthermore, General Motors executives were, "particularly impressed by the strength of Corvair sales in the West Coast market, where the foreign cars first made their invasion of the U.S. market felt beginning about 1956 and then spread across the country."<sup>342</sup> Indeed, while base models of the Corvair sold well to Americans looking for basic transportation, the sporty Monza models appealed to enthusiasts, being constantly compared to the Porsche sports cars in enthusiast periodicals, "Both vehicles (decambered[sic] Monza and early Porsche) are both driver's cars in the sense that to get what they have to offer in the way of performance requires a

<sup>340</sup> G.M.C., *Corvair Monza Club Coupe*, Sales Brochure. 1960 Chevrolet Corvair Monza: Most Distinctive Car of Its Kind, Sales Brochures/Prod Cat, General Motors Heritage Center and Media Archive, Sterling Heights.

<sup>&</sup>lt;sup>341</sup> "The New Generation." *Time*, 0040781X, 10/05/1959, Vol. 74 No. 14.

<sup>&</sup>lt;sup>342</sup> Edward N. Cole, "Motor Trend Award Presentation" *Edward N. Cole Speeches: 1957-1960*, March 8, 1960, 6. Edward N. Cole Speeches: 1957-1960, General Motors Heritage Center and Media Archive, Sterling Heights.

deft, knowledgeable touch. This can be, and is, fun."<sup>343</sup> General Motors had explicitly targeted German imports, and appeared to have finally gotten the right formula for competing with them.

However, there was a flaw in the design of the Corvair's Beetle-influenced independent rear suspension which went largely unnoticed until 1965 when the book *Unsafe at Any Speed* was published. The book, written by young attorney and political hopeful Ralph Nader hoping for a break into national politics, examined the American automotive industry through an extremely critical lens. It argued that American manufacturers were making cars which were styled to be visually appealing to consumers, yet purposefully designed and engineered to be tremendously unsafe and short lived. Although the Corvair was only featured in the first chapter, this work cast a dark shadow over the vehicle from which it was never able to escape. Nader's primary attack on the Corvair was aimed at its swing-axle suspension. He claimed that, "What most sets the 1960-1963 Corvairs apart from light foreign vehicles with comparable percentages of weight distribution and swing axles is the sudden onset of the critical point at which the vehicle goes out of control and frequently flips over." The damning assertion was that General Motors engineers knew this fact, but did not install the parts, rumored to cost fifteen dollars, which would have fixed it in production.

While Nader's claim was sensationalist in tone and only supported by largely circumstantial evidence garnered from ongoing lawsuits, it did reveal that American automotive manufacturers were mainly engineering to meet price-points. In other words, to save a few dollars Chevrolet directed engineers to solve the handling issues of the car through methods that would not cost the factory money; in this case specifying differing inflation pressures for the front and

<sup>&</sup>lt;sup>343</sup> "Corvair Monza Road Test" *Sports Cars Illlustrated's Car and Driver* Vol. 6 No. 10 (1961): 73. Library of Congress, Washington D.C.

<sup>&</sup>lt;sup>344</sup> Ralph Nader, *Unsafe at Any Speed: The Designed-In Dangers of the American Automobile* (New York: Grossman, 1965), 30

rear tires of the Corvair, which initially appeared effective. Furthermore, the transition from understeer to over-steer only occurred at the limits of the Corvair's handling envelope, therefore usually only found by drivers who were perhaps pushing their cars too hard. Also, Nader's argument against the Corvair was out of date by 1964 when Chevrolet had added a torsion bar to help stabilize the rear suspension as standard equipment. Despite these points, the book stirred a large response among the American public, a majority of whom immediately began to agitate for regulations to protect consumer safety.

While the design of the Corvair may have had some issues with handling stability, General Motors sealed its fate in the court of public opinion by bungling their defense. Rather than fight Nader with engineering reports or any other form of objective evidence, General Motors instead attempted to discredit Nader personally. The corporation hired private detectives to follow and harass him; their goal was to catch him in compromising situations, even going so far as to hire prostitutes to proposition him. Nader claimed, "he was being followed, harassed by midnight calls, his friends sought out and grilled by mysterious operatives..." General Motors was eventually called to testify in a Senate sub-committee hearing on March 22<sup>nd</sup> 1966, and under oath, James Roche, President of General Motors, apologized for the investigation into Nader's personal life, formally substantiating Nader's claims of harassment. In the eyes of many Americans General Motors' admission to bullying seemed to indicate that Nader must have been right in his criticisms of the Corvair, and as perhaps most succinctly stated by historian Ed Cray, that, "Social responsibility simply did not figure high on the list of priorities in Detroit's concept of a freely

<sup>&</sup>lt;sup>345</sup> Albert J. Baime, *Go Like Hell: Ford, Ferrari, and Their Battle for Speed and Glory at Le Mans* (New York: Houghton Mifflin Harcourt, 2009), 210.

<sup>&</sup>lt;sup>346</sup> U.S. Congress, Senate, Committee on Government Operations, *Traffic Safety: Examination and Review of Efficiency, Economy, and Coordination of Public and Private Agencies' Activities and the Role of the Federal Government: Hearings Before the Subcommittee on Executive Reorganization*, 89<sup>th</sup> Congress, 2<sup>nd</sup> sess., 1966, 1379-1385.

enterprising economy."<sup>347</sup> Corvair sales dropped precipitously again and the shadow over the Corvair nameplate was dark indeed. In 1969 General Motors executives quietly discontinued the Corvair due to lackluster sales post-1965, in large part due to the extraordinarily bad press brought on by Nader's book and their subsequent childish defensive strategy. The scandal cut General Motors deeply, and it was, "sufficiently embarrassed," that the Corvair remained absent from official corporate histories for years after.<sup>348</sup>

The Corvair episode had a broad impact beyond the Chevrolet division, and indeed, beyond General Motors. As historian Ed Cray argues in *Chrome Colossus*, "The damage was done. Despite Roche's apology, General Motors had been marked as arrogant and mendacious... The result, ultimately, was the passage of the National Motor Vehicle Safety Act [of 1966]"<sup>349</sup> The new law granted the federal government broad authority to regulate all aspects of the automobile, and granted regulators until January 1967 to establish new standards. These new regulations ranged from mandated head-rests, to shatter-resistant glass windshields and manufacturer installed seatbelts. Furthermore, these safety standards were universal, and therefore also impacted automotive imports; imported cars would not be granted legal entry unless they could meet the new safety regulations.<sup>350</sup>

Even in the face of clearly shifting consumer perceptions the American automotive industry kept lagging behind. Only legislation eventually forced the implementation of safety devices. The Highway Safety Act of 1970 created a new agency, the National Highway Traffic Safety Administration, to administer these new regulations. Over the course of 1970s, federal

<sup>&</sup>lt;sup>347</sup> Ed Cray, Chrome Colossus, 439.

<sup>&</sup>lt;sup>348</sup> Aaron Severson, "Rebel Yell: The Life and Death of the Chevrolet Corvair," *Ate Up With Motor: Portraits of Automotive History*, July 23<sup>rd</sup> 2010. Accessed 2/5/2018 from http://ateupwithmotor.com/compact-and-economy-cars/65-chevrolet-corvair-history.html., 33

<sup>&</sup>lt;sup>349</sup> Ed Cray, Chrome Colossus: General Motors and Its Times (New York: McGraw Hill, 1980), 427.

<sup>&</sup>lt;sup>350</sup> Public Law 89-563, 9th September 1966. Accessed 2/4/2018 from http://uscode.house.gov/statutes/pl/89/563.pdf.

safety regulations continued to grow, forcing new automotive standards, such as the standard height of headlights from the road surface, and bumpers that were supposed to prevent any damage in collisions up to ten miles per hour. In response American automakers complained. Henry Ford II reportedly said that the new regulations were "unreasonable and arbitrary," despite the fact that in all cases the technology required to meet the new regulations had existed since the 1950s and American automakers had consciously chosen to omit from their designs.<sup>351</sup>

However, these regulations were far harsher on European brands, who were in some cases forced to make drastic changes to the design or styling of a car just so it could be sold in the United States. The regulations established in 1966 took the American regulatory environment in a different direction than Europe and also marked a major shift in how American politicians, consumers, and manufacturers viewed automobile safety. As automotive journalist Brock Yates noted in his monograph, *The Decline and Fall of the American Automobile Industry*, "The *automobile*, not the driver, was to be the target [of new safety regulations]." This did two things, the first of which was to accept collisions as inevitable and focus all the regulatory effort on safety features which would protect occupants during or after a collision, rather than features which would help to avoid a collision. This set the regulatory attitude in the American market apart from its European counterpart. As noted by Yates:

Europeans generally believed... the creation of automobiles engineered with what they called 'evasive capability,' were the key to accident prevention. But the chief priority of the American safety lobby was now quite different. They wanted Detroit to build automobiles that were invulnerable: four-wheel padded cells in which witless drivers could bash into each other without fear of injury.<sup>353</sup>

<sup>&</sup>lt;sup>351</sup> Ed Cray, Chrome Colossus, 415-416.

<sup>&</sup>lt;sup>352</sup> Brock Yates, *The Decline and Fall of the American Automobile Industry* (New York: Empire Books, 1983), 258. <sup>353</sup> Ibid.

Secondly, this new attitude towards safety shifted the blame onto the manufacturers for damage or injury resulting from an accident. By making large, generally faceless corporations the target of public scorn, politicians established themselves as heroes, defending the consumer against corporate greed, which made legislating new regulations easy. At the same time, American automakers made themselves look increasingly worse by fighting back against new safety regulations rather than accepting them. The negative publicity and public opinion of many Americans towards their own manufacturers opened the door just a little bit wider for foreign manufacturers to exploit.

While automakers found increasing safety regulations onerous, they were even more adamantly opposed to state and federal emissions regulations. Just as in the case of safety regulations, American automakers made a bad situation worse by ignoring calls for improvement or self-policing. Perhaps most significantly, American automakers had ignored, "the importance of air pollution as a political issue in the Los Angeles basin, and from there to other parts of the state of California." As early as 1950 a thick yellowish-brown cloud regularly settled over the city of Los Angeles, obscuring vision and irritating eyes and lungs. The American automotive industry responded in 1955 with mediocre budgets for air pollution 'research,' taking until 1959 to find that, "a fifty-cent part used even before World War II on military vehicles was effective in reducing automobile pollution by about 25 percent." However, even when research exposed a cheap and easy option to reduce pollution General Motors and other American manufacturers resisted. In fact, they had no intention of ever fitting the device, a Positive Crankcase Ventilation (PCV) valve to their vehicles, calling them impractical. After nearly a decade of dallying, the

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<sup>354</sup> Ed Cray, Chrome Colossus, 439.

<sup>&</sup>lt;sup>355</sup> Ibid, 440.

devices were first mandated in 1963 by California legislators; the resulting law required that the positive crankcase ventilation system be installed on all domestic passenger vehicles sold in the state. 356 However, as it was a state law and therefore only applied to California, General Motors and other American manufacturers did not install the devices on all cars, only the ones destined for California dealerships. In fact, it would take the federal Clean Air Act of 1965 to get American automakers to install the devices on all passenger automobiles. Even then, American automakers were able to delay – the model-year by which the devices had to be installed on all new cars was 1968 – and it was later extended again to 1970. In the meantime, General Motors expended significant effort lobbying Congress to repeal the Clean Air Act, claiming that it could not meet the more stringent requirements which were scheduled to go into effect in 1975. 357 These actions reinforced the negative swing of public opinion against American manufacturers moving into the 1970s, and especially General Motors.

In the case of emissions legislation, American manufacturers followed an established pattern of fighting new regulations, thereby inadvertently ensuring there would be more, stricter ones to follow. The PCV valve was just the tip of the emissions iceberg; increasingly stringent regulations were set to go into effect in the early 1970s to control nitrates of oxygen (NO<sub>x</sub>), a key chemical component in the creation of visible smog. These new requirements mandated stricter controls on engines, carburetor type and tuning, and forced manufacturers to include new devices, like 'smog pumps,' which injected fresh air into the exhaust stream to promote more complete combustion. These devices added cost, complexity, and had detrimental effects on engine performance resulting in lower engine power and higher fuel consumption. Disastrously for the

<sup>356</sup> Clay McShane, *The Automobile: A Chronology of its Antecedents, Development, and Impact* (Westport: Greenwood Press, 1997), 119.

<sup>357</sup> Ed Cray, Chrome Colossus, 442.

American automotive industry and American consumers, these changes came at the same time as the first OPEC Oil embargo in 1973-74, and while American consumers were watching fuel consumption more closely than ever, the American fleet average fuel economy fell by 15%.

Simultaneously, small imports seemed not to suffer as much from the new emissions regulations, "Washington and Detroit were battling each other which the Japanese and Europeans quietly moved ahead toward compliance." <sup>358</sup> European manufacturers' moves toward compliance were also widely reported in enthusiast magazines, evidenced by this article from 1962 which noted that Volkswagen had already had their system emissions control system approved by the Motor Vehicle Pollution Control Board (a precursor to the California Air Resources Board), and "Although the smallest engine-sized vehicles have not yet been included in the compulsory aspect of California law, many [European] manufacturers are considering installation of proper crankcase devices on small cars after April, 1963." While Detroit fought emissions and safety regulation, European manufacturers plunged ahead, unwilling to risk being closed out of the lucrative American market.

Praise from American journalists and enthusiasts obscures the fact that not all European brands were as effective at meeting the new regulations, and British manufacturers suffered from American regulations disproportionately. While British sports cars had introduced Americans to the pleasures of European performance, they were increasingly hard-pressed to meet new American safety and emissions legislation. In 1967 British technical representatives were, "seeking clarification of some details of the code and point that certain dimensional requirements, such as headlamp heights, are a departure from the European standard, and if enforced rigidly

<sup>358</sup> Brock Yates, *The Decline and Fall of the American Automobile Industry*, 259.

<sup>&</sup>lt;sup>359</sup> "Around the World in 30 Days" *Sports Car Graphic* Vol. 2 No. 11 November 1962, 10. The Library of Congress, Washington D.C.

would mean major restyling and retooling of 1968 models..."<sup>360</sup> British manufacturers, already declining in their American market-share, simply did not have the resources necessary to create substantially different cars for the American market. Most of the independent British marques of the 1950s had, by the late 1960s, been consolidated into the British Motor Corporation, however no effort had been made to also consolidate products. The result was that:

For years there has been far too much duplication of models under different marque names. You have been able to buy an Austin, a Morris, a Wolseley, a Riley, or an MG, all at different prices, and often from different dealerships, and give or take minor styling changes, interior décor, and few horsepower up or down, you've ended up with the same car. What's more, some models of one make have been cutting across other BMC products from another range, and consequently the two have had to share a market which one model could have served far more efficiently.<sup>361</sup>

Therefore, efforts to comply with the new American safety and emissions regulations would have to be spread over a wide model range, a range which was also in competition with itself. This made the costs of compliance astronomical, and ultimately unbearable. So, while British manufacturers managed to meet safety benchmarks, they did so at the expense of new research and design, essentially just prolonging their eventual demise. American automotive journalist Brock Yates was even harsher in his critique, written in the early 1980s after British manufacturers had abandoned the American market, "Sadly the once proud British automotive industry collapsed after its archaic industrial system could do no better than produce obsolete, badly fabricated, ambulatory jokes." 362

It should also be noted that not all Americans were supportive of the new safety and emissions legislation, and sports car enthusiasts in particular were targeted with anti-regulatory

<sup>&</sup>lt;sup>360</sup> "Safety Code: European Reaction" *Sports Car Graphic* Vol. 7 No. 3 March 1967, 28. The Library of Congress, Washington D.C.

<sup>&</sup>lt;sup>361</sup> "BMC Plans" Sports Car Graphic Vol. 7 No. 3 March 1967, 30. The Library of Congress, Washington D.C.

<sup>&</sup>lt;sup>362</sup> Brock Yates, The Decline and Fall of the American Automobile Industry, 150.

propaganda through the popular periodicals consumed by enthusiasts. *Sports Car Graphic*, at the time a widely circulated monthly enthusiast magazine, began running a new section in 1967 called the "Washington Report," written by political correspondent Robert Herzberg. The report, which appeared in multiple automotive-focused periodicals, was exactly what the unimaginative name implied, a report on the ongoing debates over increasing federal automobile regulation, produced by Herzberg, the first Washington D.C. based correspondent for *Hot Rod Industry News*. <sup>363</sup> However, it was strongly critical of all efforts to federally regulate safety, regularly going on antigovernment tirades.

In one early edition which dealt with federal regulations concerning driving under the influence of alcohol, Herzberg ranted that, "This method [of Federal regulation]... is more reminiscent of the fascist method of dealing with a problem... Drivers will lose rights guaranteed by the Constitution." The continual outrage presented here impacted consumers, as a letter to the editor in September of 1967 indicates, "My congratulations to you and to Robert Herzberg for the excellent and objective report on page 10 of the May issue. If this doesn't hit 'galloping socialism' right square in the nose, then nothing will... I've told at least ten people, 'Don't argue with me, friend, until you buy the May issue of SCGH and read the 'Washington Report'..." While efforts to combat driving under the influence targeted drivers, the anti-regulatory sentiment overflowed onto regulatory actions targeting automobiles. This is indicated here in a letter to the editor, also published in *Sports Car Graphic*, "In a seemingly necessary attempt to make cars safer,

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<sup>&</sup>lt;sup>363</sup> The only firm reference to Robert Herzberg's affiliation appears in the footnote of an MIT Doctoral dissertation, David N. Luesko, "Manufacturing Muscle: The Hot Rod Industry and the American Fascination with Speed, 1915-1984," Ph. D Dissertation, Massachusetts Institute of Technology, August 2005, 313.

<sup>&</sup>lt;sup>364</sup> Robert Herzberg, "Washington Report" *Sports Car Graphic* Vol. 7 No. 5 May 1967, 12. The Library of Congress, Washington D.C.

<sup>&</sup>lt;sup>365</sup> Lt. Col. B. L. Shelton, "Letters to the Editor" *Sports Car Graphic*, Vol. 7 No. 9 September 1967, 22. The Library of Congress.

our Federal Government has shown its bureaucratic stupidity once again. With practically no emphasis placed on brakes... Washington obviously doesn't know where to start (or in this case, stop). Fortunately, I still have the choice to buy cars with good brakes, but how well is that huge iron hulk behind me going to stop?"<sup>366</sup> The author of this letter seemingly implies that the purchase of a European car, with its better brakes, can be interpreted as an act of defiance, both of federal regulations, but also of American automakers. This letter illuminates the influence of federal regulations in turning consumer perceptions against domestic automotive manufacturers, and also making the act of consuming a foreign automobile one of protest.

Popular resistance to regulation also extended to emissions regulations, however the language here was far less passionate as smog was visible and had a noticeably detrimental effect on public health. In an opinion article published in April of 1968, journalist and automotive enthusiast Bob Kovacik admitted that something must be done about the pollution problem, but lamented that emissions regulation was hampering automotive performance. Kovacik argues, "if you don't think smog pumps hamper performance, just listen to one of these new small-engined sports cars or sedans at idle. The engines starve for fuel on acceleration, it balks and can be a hazard..."<sup>367</sup> Kovacik then ranted about the supposedly inept anti-smog laws emerging from California, which were under consideration for application at the Federal level, however he failed to offer any potential solutions. Yet despite his negative opinion regarding the cost and performance detriment of existing pollution control tools he also paradoxically argued, "to hell with the \$50 smog pump or retarded spark device. To hell with the crankcase-ventilation unit.

<sup>366</sup> Gary R. Kolk, "Letters to the Editor" *Sports Car Graphic* Vol. 7 No. 9 September 1967, 22. The Library of Congress, Washington D.C.

<sup>&</sup>lt;sup>367</sup> Bob Kovacik, "Our Opinion: Smog, smog go away... but let's be serious!" *Sports Car Graphic* Vol. 8 No. 4 April 1968, 6. The Library of Congress, Washington D.C.

Let's get something that works right, even if it costs \$100 or \$150!"<sup>368</sup> Unlike the safety legislation which some viewed as the encroachment of Federal regulation into the private sector, it was hard to openly oppose emissions legislation in the name of sports car performance, which just looked like selfishness on the part of enthusiasts. Even naysayers like Kovacik understood that emissions regulations were here to stay and manufacturers would just have to find an effective way to meet them.

## 5.2 'Neue Klasse': The BMW Sports Sedan

The failure of American manufacturers to respond appropriately to the dual challenge of safety and emissions legislation contributed to a tangible shift in public opinion; many American consumers now viewed their domestic automakers as bumbling and lazy at best and greedy, evil corporations at worst. This provided the opening for one German manufacturer, Bayerische Motoren Werke (BMW) to gain entry into the American market in a segment traditionally dominated by American manufactures, the sedan. However, BMW combined the performance of the European sports car into their sedans, giving them a unique product and introducing American consumers to the idea that sports cars didn't have to be small, uncomfortable, or of limited daily utility to have real performance potential. Furthermore, BMW was able to provide all these features while meeting American safety and emissions legislation, a feat that most American manufacturers claimed was not possible. The introduction of the sports sedan in the American market began a paradigm shift in American attitudes towards what a sports car could be, and established a niche BMW would successfully fill well into the 1990s.

<sup>368</sup> Ibid.

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BMW emerged from the Second World War a broken shell of its former self. Perhaps more than any other western Automaker, BMW was crippled by the devastation of its factories and the imposition of strict Allied controls because it had been a major producer of military aircraft engines. BMW also suffered the total loss of its manufacturing plant at Eisenach, which was on the Soviet side of a divided Germany. These factors meant that while other German manufacturers and industries were starting to enjoy the Wirtschaftswunder, the "economic miracle" of the 1950s and 1960s, BMW was left lagging behind. In the immediate postwar years BMW factories produced pots, pans, and baking utensils from its stocks of old engine cylinders, and then simple motorcycles.<sup>369</sup> In fact, the first postwar BMW automobile, the conservative 501 sedan, would not be delivered to European customers until December 1952.<sup>370</sup> After struggling through the 1950s mainly on the profits from its motorcycles and barely surviving a few proposed buyouts, BMW finally turned itself around in the 1960s with its 'Neue Klasse,' first displayed at the Frankfurt Motor Show in 1961.

The 'Neue Klasse' BMWs began a revolution in the American automotive market, although it would take nearly a decade to build momentum. The 'new class' BMWs – for the American market the most significant of which was the 2002 model – were typified by their sports-luxury features which included, "small but smooth, high-revving engines, exceptionally precise steering, and road hugging suspension that provided a hands-on albeit butt-bouncing, driving experience. BMWs were the opposite of Detroit's gaudy Buicks, Cadillacs, and Lincolns, which wallowed through turns like a walrus on a skateboard." The BMW cars were not sold on fancy

<sup>369</sup> Brock Yates, *The Decline and Fall of the American Automobile Industry*, 155.

<sup>&</sup>lt;sup>370</sup> Halwart Schrader, *BMW: A History* trans. Ron Wakefield, An Automobile Quarterly Translated Edition (Princeton: Princeton Publishing, 1979), 54-58.

<sup>&</sup>lt;sup>371</sup> Paul Ingrassia, Engines of Change: A History of the American Dream in Fifteen Cars (New York: Simon & Schuster, 2012), 245.

or eye-catching styling, but rather on their actual performance and in this regard, they provided a truly unique take on European sports-performance. British designs, which were universally twodoor, two-seat convertibles with under square four-cylinder engines, had established the paradigm for 'European' sports cars, at least from the perspective of most Americans. The BMW on the other hand was a boxy, utilitarian four-seat sedan body powered by an over-square four-cylinder engine of low displacement. This meant that to extract power from the engine the driver had to keep engine revolutions high, and when combined with the cars' exceptional handling due to a well-engineered independent rear suspension, provided an exhilarating driving experience. BMW had injected sports car performance into the much more practical sedan body style creating a new niche in the sedan market. This new niche was a part of a broader market segment traditionally dominated by domestic manufacturers and therefore represented a much more significant market penetration that then European sports car of the 1950s, a vehicle which had no direct American analogue. Furthermore, BMW used increasing American safety and emissions regulations to its advantage, creating a truly sporting car at the same time as American domestic manufacturers struggled to meet regulatory goals, losing power and fuel economy in the process.

BMW's success helped establish and substantiate the image of superior German engineering, which was enough to justify the vehicle's increasing cost during and after the 'Nixon Shock' of 1971. When the dollar became a freely floating currency and plummeted in value, effectively raising the price of imported goods, BMW importation steadily increased. In fact, BMW's exports to America, a mere trickle in the low double-digits per year at the beginning of the decade, expanded dramatically in 1968 with the release of the 2002 for the American market, and continued to grow, "between 1970 and 1986, BMW's U.S. sales jumped tenfold, to nearly

97,000 cars from just 9,800. Sales kept growing after that."<sup>372</sup> The 2002 opened the door to the American market for BMW, a feat which had proved impossible for the earlier BMW 507 sports car of the mid-1950s, and in so doing paved the way for the sports sedan as a specific sub-category of vehicle. that European manufacturers could exploit.

BMW's interest in the American market began long before 1961. As early as 1952 BMW looked longingly across the Atlantic, wanting to cash in on the potential the American market appeared to offer for volume automobile sales. The company sent four of its executives to the United States in October 1952 to ascertain the possibilities for importing their motorcycles, microcars, and new sedans. In their report, the executives noted the inadequacies of public transit outside large cities, how far apart major cities were, the infrequency of trains compared to Germany, how roads were cleared of snow yet sidewalks were not, how mailboxes were placed so as to be accessible from a car, and, "all this makes the car indispensable and explains the many cars. One car for every two or three people." Alfred Böning, the engineer responsible for designing BMW motorcycles, called attention to how the automobile had become an indispensable tool for modern American living, and sought to increase the impact of his report by closing with, "to really understand it, you have to have experienced it." Böning's report revealed the potential of the American market for BMW if only they could produce an appropriate car. However, what an appropriate car for the American market would be was up for debate.

BMW learned early that their ticket into the American market would not be a traditional sports car, as it had been for many other European brands. The sports car had appeared to be a safe bet in the mid-1950s, Porsche and Mercedes-Benz were both importing larger numbers of their

<sup>&</sup>lt;sup>372</sup> Paul Ingrassia, Engines of Change, 244.

<sup>&</sup>lt;sup>373</sup> Alfred Böning, "Bericht von Herrn Böning über die Lage und Verkehrsverhältnisse in den USA" Oktober 1952. UA 1775-1, BMW Gruppe Archiv, München. <sup>374</sup> Ibid.

sports cars to the United States every year. The pressure of performance was even felt in the European market. In 1954, BMW received a letter from one of its German dealers in Stuttgart urging the company to produce cars which were "lighter and faster, rather than luxurious and slow," and, interestingly, suggested the use of a plastic body to meet this goal, citing the Chevrolet Corvette as a potential model to follow. <sup>375</sup> This was combined with pressure from their American importer and distributor, Max Hoffman, to produce a small, two-seat convertible sports car, indicated by his later claim that the BMW 507 was 'his' car. 376 The product of this pressure was the BMW 507, a small, two-door, two-seat convertible sports car powered by BMW's new V8 engine. By all available metrics the 507 should have been an incredible success. Like the Corvette, the 507 seemed to combine everything American enthusiasts were asking for in a European sports car: handling, style, and power. Indeed, BMW appeared to be counting on a significant number of 507 sales to Americans, noting that, "It will be important that we prepare as soon and as well as possible for the [507] demonstration car, spare parts in sufficient quantities, operating instructions and catalogs in English, and spare parts lists in dollars."377 However, the sales failed to materialize when the final price of the car rose to around \$9000 due to BMW's failure to control production costs and that resulted in Hoffman abruptly cancelling his initial order for two-thousand 507s, which he had advertised to Americans as costing only \$5000. Over the vehicle's production run, which lasted until March 1959, only 252 units were completed, and even at its exorbitant pricepoint BMW lost money on each 507 sold.

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<sup>&</sup>lt;sup>375</sup> Automobilhaus C.E. Baumeister, Brief zum Vorstand der Bayerischen Motoren Werke A.G., München 24 Februar 1954. UA 226-1, BMW Gruppe Archiv, München. See also Halwart Schrader trans. Ron Wakefield, *BMW: A History*, 67.

 <sup>&</sup>lt;sup>376</sup> Ernst Hof, "Stand der Verhandlungen mit Hoffman Corporation, New York" zum Herrn Dr. von Mangoldt, Dr. Richter-Brohm, Grenwenig, Black, von Krafft, Dr. Seyfried, Abschrift aus einem Brief vom 2 August 1957. UA 231-1, BMW Gruppe Archiv, München.
 <sup>377</sup> Ibid.

The reasons for the failure of the 507 are contested and point to deeper changes in the American automotive market. David Kiley hypothesizes that the failure of the 507 was due to the release of the Corvette and the Thunderbird in 1953 and 1954 respectively, which were similar and offered at a significantly lower price.<sup>378</sup> While plausible, it was more complex than the price being too high, and competition from Corvette and Thunderbird, both of which struggled in their first years to gain wider acceptance among American consumers. Unfortunately for BMW, the 507 launched in 1956, a year in which American consumers had unprecedented choice in the sports car segment, from the traditional MG, Jaguar, Porsche, etc. to the new American sports cars, the Corvette and Thunderbird. Nor did the BMW offer anything unique to the marque, while a segment of the enthusiast population derided the Corvette for being a poor copy of a European ideal, others praised its innovation, especially in Chevrolet's use of fiberglass body panels which saved weight and thereby increased performance. Furthermore, the introduction of the 507 in 1956 came just two years before the short, albeit sharp, recession of 1958 which temporarily resulted in lower demand in the American automotive market.<sup>379</sup> Ultimately, the 507 was a sales flop, and its lingering lesson for BMW appeared to be that in order to successfully enter the American market it had to have a unique product, to differentiate its brand from the competition, offered at a reasonable price.

In 1958, BMW revisited its prospects for the American market, and compiled a market-research report on the United States. The report is exclusively focused on the "small car," which showed significant promise given the Volkswagen Beetle as well as the recession of 1958, which caused more US consumers to pay more attention to fuel economy and overall utility. However,

<sup>&</sup>lt;sup>378</sup> David Kiley, *Driven: Inside BMW, The Most Admired Company in the World* (Hoboken: John Wiley and Sons, 2004), 71.

<sup>&</sup>lt;sup>379</sup> For a detailed exploration of the 1958 recession see: "The Economic Report of the President" (Washington: U.S. Government Printing Office, 1959), 1-48.

BMW research showed that despite, "foreign small cars are gaining in popularity... [while] the American automotive industry has stuck to its policy of offering U.S. consumers large, heavy and expensive cars with lots of accessories. However, the fact that Detroit does not offer its customers what they want is not shown by the growing sales success of European small and mid-size cars..."380 While BMW wanted the lucrative sales volume that a successful small car seemed to promise, they also noted the failure of other European brands that tried a similar approach. Therefore, as David Kiley argues, "BMW's future formula was clear: four doors, room for five adults, a sporty engine, fine handling, neat styling, and high-speed autobahn capability."381 Through their marketing report it is clear BMW understood that successfully entering the American market would take more than just a good small car, it had to find a niche, in this case by combining sporty performance with the small to medium sized sedan. It is also important to note that these early market reports are derived entirely from sales-volume statistics, which as economic historian Timothy Whisler astutely points out in At the End of the Road, only present a part of the story.<sup>382</sup> From the statistics it would seem clear that American consumers only wanted large four door cars. However, these statistics were largely influenced by the fact that these are the types of vehicles that were mass produced domestically. While the report indicates that import sports cars represented only 0.2% of the US new car market in 1958, it ignored the fact that they were sold to an enthusiastic community of consumers who were committed to their vehicles and very vocal in their promotion. This is evident in club magazines, like the SCCA's Sports Car, which reached a

<sup>&</sup>lt;sup>380</sup> "Der Stand der Motorisierung in den Vereinigten Staaten von Amerika: Produktionsdaten, Importe, und Registrierung von Personenkraftwagen in den USA sowie sonstige Marktdaten," Kurzanalyse MF-Bericht Nr. 13/6/58, erstellt für die Verkaufsleitung der Bayerischen Motoren Werke Aktiengesellschaft München, Mai 1958, p.24. UA 2039-1, BMW Gruppe Archiv, München.

<sup>&</sup>lt;sup>381</sup> David Kiley, *Driven: Inside BMW*, 69.

<sup>&</sup>lt;sup>382</sup> Timothy R. Whisler, *At the End of the Road: The Rise and Fall of Austin-Healy, MG, and Triumph Sports Cars* Industrial Development and the Social Fabric 13 (Greenwich: JAI Press, Inc., 1995), 9.

much broader readership than just sports car owners. These qualities helped build brand awareness and loyalty, which was critical for a manufacturer attempting to break into a new market, and one of the lessons of the failed 507.

Another indication of BMW's desperation to enter the American market was their decision to award the rights of sole distributorship of BMW cars in the United States to Max Hoffman in in the mid-1960s. Max Hoffman was, as early as the late 1950s, well known as a major distributor for European automotive brands in the United States and therefore a seemingly logical choice; he had helped establish Jaguar, Mercedes-Benz, Porsche, and even Volkswagen in the late 1940s and 1950s. However, his distributorships always ended in a United States courtroom with the manufacturer settling by buying Hoffman out of his distributor contract, often at great and continuing cost. Invariably this was due to clashes with Hoffman who often demanded last minute changes to import orders, refused to accept any real inventory overhead, and often sought to control consumer contact with the manufacturer, forcing buyers to go through him for parts, warranty repairs, etc. Not only that, but BMW had experienced these qualities firsthand when Hoffman pushed for the 507, ordered two thousand units, then when sales failed to materialize, quickly cancelled all the orders and refused to accept the cars. Therefore, as early as 1957 BMW, was looking for any possible alternative, as indicated in a terse letter between Ernst Hof, the Director of Technical Sales Planning, and the Vorstand (Board of Directors), "Previous attempts to find an import company that would equate to Hoffman automobiles in terms of organization, experience, and capital, were without success."383 Therefore, BMW tentatively sought out Hoffman's input regarding their proposed new line of vehicles, "He already recommended to develop and provide

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<sup>&</sup>lt;sup>383</sup> Ernst Hof, "Hoffman Corp., New York" zum Herrn Dr. Mangoldt und die Herren des Vorstandes, Abschrift aus einem Brief vom 31.1.1957. UA 231-1, BMW Gruppe Archiv, München.

a two-seater sports body for this [new vehicle], as there would be a great demand for it in Europe and the U.S."<sup>384</sup> In this regard Hoffman was simply repeating the same advice he had given all European manufacturers, however, with their market research BMW knew that a sporty four-seat car had greater potential.

The doubt regarding Hoffman persisted into the early 1960s, when BMW went so far as to hire a private firm to research him and his reputation in the United States. The firm, Bishops Inc., through interviews with representatives of foreign automobile companies that had worked with him and other confidential sources, produced a twelve-page character analysis that vilified Hoffman. Section after section all contained reports in a similar vein:

Now, throughout this investigation, various phrases were used readily and quite voluntarily by informants to describe the subject of this inquiry. Many cannot be quoted verbatim in this report, due to the fact that these gentlemen expressed themselves concerning Hoffman in language so vehement and forthright that – in the interests of good taste – the aforementioned language cannot be quoted herein. Then there were the informants – and many of these were in widely separated sections of the automobile industry – whose wordage seemed to be a veritable echo: "he's (Hoffman) a hard guy to get along with"; "too difficult for anybody to get along with"; "Hoffman's got the worst reputation for service". Mostly informants used the word "arrogant". 385

The report clearly indicated that Hoffman was not a wise choice for a fledgling brand to partner with in the long-term, however Hoffman's record of successfully introducing foreign brands, especially upper-tier brands like Porsche and Jaguar, into the United States could also not be ignored. Therefore, even though, "Hoffman was described by one informant as being the 'Adolf Hitler of the automobile industry'," he was still used as BMW's vector into the American

<sup>384</sup> Ibid

<sup>&</sup>lt;sup>385</sup> Bishop's Service, Inc. Report to BMW Automotive, New Jersey 10<sup>th</sup> August 1962. UA 1584-1, BMW Gruppe Archiv, München.

market.<sup>386</sup> This indicates that while BMW was not as susceptible to Hoffman's influence in the design of the 'Neue Klasse', evidenced by the fact that they never offered a two-seat variant of the 2002 model, they were quite desperate to get the new cars in front of American consumers.

Americans first heard about the new BMW sports sedan in reports from the international automotive shows which appeared annually in enthusiast periodicals. Bernard Cahier, writing for *Sports Car Graphic* in January of 1962, noted that the first of the Neue Klasse line, the BMW 1500 was, "a very attractive, well balanced sedan with a tremendous amount of room inside. The trunk is huge, the seats wide and comfortable and there is more leg, elbow, and head room than in any other car of that class that I have ever tried." Cahier also noted that the new BMW would be offered for more sport-minded consumers with a larger and more powerful engine. In fact, the larger engine was the only variant that made it across the Atlantic in any quantity, with 4,530 of the 1600 models imported in 1967. 388

The BMW 1600 was well received by the enthusiast press when it finally began to arrive in quantity in 1967. Journalist Jean Calvin wrote in his driver's report that the BMW was "a definitive answer to: What IS a 'sports sedan', pointing out that, "On some of our favorite mountain roads, the BMW took the tight turns and less-than-ideal surface with all the aplomb of a genuine *sports car*." BMW succeeded in making their small sedan unique among its competition, injecting the element of sports-performance which had captivated American consumers and driven sales of other European brands. Prophetically, Calvin predicted that, "With this model, BMW

<sup>&</sup>lt;sup>386</sup> Ibid.

<sup>&</sup>lt;sup>387</sup> Bernard Cahier, "Previews of 1962 from Frankfurt, Paris, London," *Sports Car Graphic* Vol. 2 No. 1 January 1962, 55. The Library of Congress, Washington D.C.

<sup>&</sup>lt;sup>388</sup> This importation of the 1967 model year 1600 is more than all of the previous Neue Klasse production years combined. Entwicklung des BMW Geschäftes in USA seit 1962. UA 1273-1, BMW Gruppe Archiv, München.

<sup>&</sup>lt;sup>389</sup> Jean Calvin, "Driver's Report: BMW 1600" *Sports Car Graphic* Vol. 7 No. 9 September 1967, 41. The Library of Congress, Washington D.C.

should certainly increase its market penetration in this country... [the BMW 1600 is] a well-built and nicely equipped 'sports sedan' at a very popular price." As Tony Lewin argues in *The BMW* Century, "Americans took to the baby BMW with particular relish. In an era when Detroit's products were still overweight, oversize, and dull to drive," the tiny BMW offered a new vision of sports performance with the utility required to be a family's only car. <sup>391</sup> Despite the accolades, there was continual pressure from Hoffman to provide the same sedan, but with more power to further enhance its performance image.

The new model that BMW would create to satisfy the demand for more performance, the BMW 2000 and 2002, offered proof that increasing regulations did not have to mean the death of performance. This directly opposed the argument American manufacturers were using in their increasingly despondent pleas for less severe regulation. In fact, BMW produced a variant of the 1600 which had more power and was already available in Europe, the 1600-TI. However, American emissions regulations prevented the car from being legally imported, "The 1600-TI, with its extra power achieved by traditional European means of higher compression and more carburetors, would have been a nice addition to the American market... but it was a relatively tough assignment to make the twin-carburetor engine conform to the American rules."392 Rather than invest the engineering time required to make the 1600-TI meet emissions standards, BMW instead chose to use a 2-liter design based on the same engine block that could more easily meet American regulatory requirements. Therefore, due to Hoffman's pressure for more performance and American emissions standards, the 2000 and the 2002 models were created by putting the larger 2-liter engine in the same sedan body. Furthermore, by using larger displacement rather than

<sup>&</sup>lt;sup>390</sup> Ibid.

<sup>&</sup>lt;sup>391</sup> Tony Lewin, The BMW Century: The Ultimate Performance Machines (Minneapolis: Quarto Publishing Group

<sup>&</sup>lt;sup>392</sup> Halwart Schrader trans. Ron Wakefield, *BMW: A History*, 75.

increased compression or adding more complicated carburetion, BMW was following a well-established American pattern, which increased performance while also keeping the car mechanically simple. Putting a larger engine in a 'small' car was combination that Americans intrinsically understood, after all it was the basic design principle behind the muscle car, a symbol of 1960s Americana.

The 2002 was a significant development for BMW and cemented not only BMWs place in the American automotive market, but also that of the European sports sedan. In a widely read review, an excerpt of which appears as the opening quote of this chapter, originally published in *Car and Driver*, reviewer David E. Davis Jr. lavished exceptional praise on the 2002 noting the performance and utility of BMW's sedan in comparison to the faux performance image sold by American manufacturers. In fact, Davis went so far as to call out American manufacturers by noting how BMW's product was almost 'American':

If it wasn't already German, I'd be tempted to say it could be as American as Mom's apple pie or Rapp Brown's carbine. Not American in the same sense as the contemporary domestic car, with all its vast complexity and *nouveau riche* self-consciousness, but American in the sense of Thomas Edison and a-penny-saved-is-a-penny-earned and Henry Ford I (before his ego overloaded all the fuses and short-circuited his mind and conscience)... It does everything it is supposed to do, and it does it with ingenuity, style and verve.<sup>393</sup>

The 2002 reminded American consumers that domestic manufacturers were letting them down, there were ways to make a performance car in an era of increasing safety and emissions regulation, "Nobody believes it, until I suck their headlights out. But nobody doubts it, once that nearly-silent, unobtrusive little car has disappeared down the road and around the next bend, still accelerating

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<sup>&</sup>lt;sup>393</sup> David E. Davis, "Turn Your Hymnals to 2002 – David E. Davis, Jr. Blows His Mind on the Latest from BMW" *Car and Driver* April 1968, 68. General Motors Heritage Center and Media Archive, Sterling Heights.

without a sign of the brake lights..."394 Indeed, Davis endlessly harped on the performance of the BMW, even compared to the 'true' sports cars, the MGs, and Porsches, calling to attention the BMW's superiority. In a paragraph dripping with derision and sarcasm Davis states, "What you like to look for are Triumphs and Porsches and such. Them you can slaughter, no matter how hard they try. And they always try... the first couple of drubbings at the hands of the 2002 make them think they're off on a bad trip... Ha! Grovel, Morgan. Slink home with your tail between your legs, MG-B. Hide in the garage when you see a BMW coming." The power of Davis's article in bolstering BMW's brand image among American enthusiasts cannot be overstated. Not only was Davis a highly regarded automotive reviewer and critic, but his article appeared in one of the two most widely circulated enthusiast periodicals, Car and Driver, whose audience included enthusiasts, hot-rodders, and casual readers, perhaps researching their next purchase. Furthermore, the sports-performance image of the 2002 distinguished it from other foreign competitors in the American market, like Mercedes-Benz, which produced touring cars in which performance was displaced in favor of luxuriousness. All of this added to the creation of a new and exploitable market niche.

While 2002 sales were strong, the first major test of BMW's market penetration was the Nixon shock of 1971. From 1968-1970, BMW had experienced consistently expanding sales of its 2002 model in America, the car provided a unique combination of performance and utility which was appealing to American enthusiasts. However, those critical years were also supported by an overvalued dollar, which kept the prices of BMWs in America relatively low; David E. Davis Jr. called the 2002 "the best \$2850 sedan in the whole... world." However, after the convertibility

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<sup>394</sup> Ibid.

<sup>&</sup>lt;sup>395</sup> Ibid.

<sup>&</sup>lt;sup>396</sup> Ibid.

of the dollar ended in August 1971 and its value settled BMWs were no longer so cheap. In fact, the price of the 2002 was increased multiple times in an effort to keep the price reflective of the value of the vehicle. BMW raised the price on September 1<sup>st</sup>, 1971, then only one month later another increase of DM 200 was recommended.<sup>397</sup> By late 1972-1973 the cost of a BMW 2002 in the United States was between \$5000 to \$5800, a significant increase which moved the small BMW out of the low-cost bracket and solidly into the upper tiers of the American automotive market. Yet sales continued to increase, from 8045 units in 1970 to 9364 in 1972. There was a slight dip in 1973 to 8962 units, likely due to the turmoil that came with the dying gasps of the Bretton Woods agreements, however the following year 2002 sales reached a new benchmark, 13,961 units.<sup>398</sup> In fact, BMW prospered through the Nixon Shock in America, having earned enough brand cachet in the previous three years to support it as economic factors beyond BMW's control moved the brand into the upper tiers of the American market.

The devaluation of the dollar was quickly followed by another crisis, the 1973 Oil Embargo, which exposed a serious weakness in BMW's American strategy: Max Hoffman. Based on the successes of the 2002 in 1968, Hoffman had sought a renegotiation of his distributorship contract, namely an extension of his relationship as the sole importer for BMW cars in the United States until 1985, by far the longest such distribution-rights extension in the automobile industry. This concession was awarded on the basis that Hoffman built an "import center" in New York, which would serve as a warehouse for spares, a place for new BMW cars to wait en-route to American retailers, and locked BMW into a long-term business relationship with Hoffman which gave him

<sup>&</sup>lt;sup>397</sup> Dr. Baranek BMW AG, "U.S.A. Bericht Dr. Draeger," Internal Memo to Herr. Haux, 24th November 1971. UA 1609-1, BMW Gruppe Archiv, München.

<sup>398 &</sup>quot;Entwicklung des BMW-Geschäftes in USA seit 1962." UA 1273-1, BMW Gruppe Archiv, München.

little incentive to improve BMW's market share in the U.S.<sup>399</sup> The oil crisis meant that the fuel-miserly 2002 was in high demand, however BMW also marketed larger six-cylinder luxury cars, and as he was the sole distributor of BMW cars, Hoffman's contract required him to distribute and help sell these vehicles as well. However, Hoffman was not interested in expending his own resources – despite contractual obligations to so – aggressively marketing the unpopular six-cylinder cars in an environment temporarily hostile to a full-size luxury vehicle. Therefore, he consistently sought to renege on his sales commitments.

Letters between J.C. Rakes, the Vice-President of Hoffman Motors Corporation (HMC), reference the difficulty of selling the larger, less fuel-efficient six-cylinder cars, "we are in a very precarious position as a result of our catastrophic 6-cylinder inventory, and we are hopeful that you will assist us by cancelling our 6-cylinder October productions as previously indicated." Yet Hoffman knew quite well that BMW could not simply cancel production, not without dire consequences for its German labor force. The issue was further compounded by the fact that in its production-quota negotiations HMC had agreed to take a ratio of six-cylinder cars to four-cylinder 2002s, an agreement which it later fought, arguing that, "the ratio of 6-cylinder to 4-cylinder automobiles, as determined by you [BMW], is unreasonable, repressive, and inconsistent with United States marketing trends as they are today." This conflict quickly escalated and HMC threatened legal action under American Anti-Trust legislation for the first time in October of 1973, creating a serious problem for BMW in terms of getting their cars marketed to American

<sup>&</sup>lt;sup>399</sup> Bayerische Motoren Werke AG (signatures obscured), Letter to M.E. Hoffman, 30<sup>th</sup> September 1968. UA 1584-1, BMW Gruppe Archiv, München.

<sup>&</sup>lt;sup>400</sup> J.C. Rakes, Letter to Herr W. Whitney, Bayerische Motoren Werke AG, München, 30<sup>th</sup> Oktober 1973. UA 1573-1, BMW Gruppe Archiv, München.

<sup>&</sup>lt;sup>401</sup> J.C. Rakes, Letter to Herr H. Winkler, Bayerische Motoren Werke AG, München, 1st October 1973. UA 1573-1, BMW Gruppe Archive, München.

consumers at a time when the entire automotive industry was facing a downturn due to the Oil Crisis.

The legal standing for HMC's claim was the establishment of BMW North America (BMW NA) in 1971 as a wholly owned American subsidiary of BMW AG in Germany. The company had reportedly established a direct American subsidiary to provide better service to American customers and to work more closely with representatives of the U.S. government in order to remain abreast of the rapidly changing American regulatory environment. However, Hoffman responded exactly as the investigative report conducted in 1961 suggested he would, by becoming combative and requiring that all BMW contact with the United States flow through HMC. Even BMW dealers in America were not allowed to contact BMW or BMW NA with warranty, parts, club, or any other questions, for any reason, without incurring a heavy monetary fine. 402 As a sign of both his increasing displeasure and pettiness Hoffman, who immigrated from Austria prior to the Second World War and was therefore fluent in German, even begin writing all business correspondence to BMW AG in English. Over the course of 1972-1973 relations between HMC and BMW worsened to the point that by the summer of 1974 BMW revoked Hoffman's distributorship, causing HMC to sue under Anti-Trust legislation. Hoffman's arguments, expressed in the District Court case documents, claimed that the establishment of BMW NA was done, "to harass HMC, to force HMC to surrender its distribution rights, and to take over from HMC the BMW distribution in the United States," and therefore the subsequent cancelling of the distributorship was an attempt by BMW to monopolize the distribution of BMW cars in America. 403 The two sides eventually

<sup>&</sup>lt;sup>402</sup> H. Winkler and R.A. Lutz on behalf of BMW AG, Letter to M.E. Hoffman, 15<sup>th</sup> November 1973. UA 1573-2, BMW Gruppe Archiv, München.

<sup>&</sup>lt;sup>403</sup> Legal Summons, United States District Court, Southern District of New York Civil Action File: 74CIV3 974 "Hoffman Motor Corporation, Plaintiff v. Bayerische Motoren Werke Akteingesellschaft and BMW of North America, Inc., Defendants." 11<sup>th</sup> September 1974. UA 1388-1, BMW Gruppe Archiv, München.

settled their differences out of court, but despite onerous payments to Hoffman, he was removed as a distributor and BMW NA took on the tasks of marketing and distributing BMW cars in America.

The removal of Hoffman in 1975 marked a turning point, not just for BMW, but also for the American automotive market; BMW was the last major volume-production European automaker who would enter the American market on the back of an individual, third-party distributor. From 1975 forward, all major European brands would import their vehicles and do business in the United States through wholly-owned subsidiary companies. This promoted a deeper engagement between European automakers and the American market, and was a step towards the eventual establishment of manufacturing facilities in the United States like the Volkswagen Plant in Pennsylvania in 1978, the first foreign automotive manufacturing plant in the United States. By removing middlemen distributors, European automakers like BMW were able to more clearly understand American market trends as well as more effectively market their products and establish a cohesive brand image. Furthermore, this was the last time that Hoffman would play a role in the establishment of a European automotive brand in America, while he remained a member of BMW's executive board Hoffman exercised no real control, and was otherwise out of the automotive business. This is significant given the fact that Hoffman had been involved in the establishment of nearly every European automotive brand in the United States; with very few exceptions the first sports cars from MG, Austin-Healey, Jaguar, Porsche, among others, came to American consumers through Hoffman's New York distributorship. Lastly, the mid-seventies marked the highpoint for European automakers in the American market, increasing competition from Japan, a free-floating dollar, as well as stricter regulation made the American market incredibly competitive at the same time as the cost of doing business in America was also rising.

# 5.3 Time to Go Racing: BMW's Brand Image

While the legal drama between HMC and BMW unfolded over the course of 1974, the work of designing and selling BMW cars to American consumers passed to BMW's wholly-owned American subsidiary, BMW of North America (BMW NA). As the 1973 oil crisis abated, the focus of BMW returned to performance, a critical aspect of the brand's success. The Vice-President of Marketing at BMW NA, John Plant, wrote in early 1974, "I feel it imperative that our four-cylinder product maintain its "spitze" image for performance among small, sport sedans... GM has developed some turbo-charged hardware which they are looking at from a performance/emissions standpoint; perhaps with some modifications we can unleash our turbo here..."404 In this he is referencing the BMW 2002 Turbo, a variant of the 2002 with considerably more power due to its turbo-charged engine and new five-speed manual transmission which debuted at the Frankfurt Auto Show in 1973. However, the 2002 Turbo never made it to American consumers, having been withdrawn from production in response to the fuel crisis, and as a result the performance image of BMW was beginning to falter. After all, by 1973 the 2002 model had been in production for six years with no significant changes. Rather than reintroduce the Turbo, which would have had difficulty in complying with emissions regulations set to go into effect in 1975, BMW decided to directly engage in motorsports to promote is performance image, and drive the further development of the market niche for the sports sedan. However, this also came at a time when most major American automakers had formally disavowed themselves from direct involvement in motorsport, citing safety, cost, and other concerns. Therefore, direct racing activities made BMW look confident in its products and energetic at the corporate level, while 'malaise' was becoming a common adjective in reference to the American automotive industry.

<sup>&</sup>lt;sup>404</sup> J. P. Plant, Letter to Hermann Winkler, Bayerische Motoren Werke AG, München, 17<sup>th</sup> January 1974. UA 1586-1, BMW Gruppe Archiv, München.

Motorsport had played a significant role in the marketing of nearly all European sports cars to American consumers. Although BMW had established a motorsport division, BMW Motorsport GmbH, in 1972, its first serious project would be providing a competitive entry for American GT racing in 1975. BMW, fully understood the importance of a performance image in order to differentiate their products from the competition, as illustrated in an internal report, "In the USA, where automotive racing has a significantly higher relevance than our [country], the sport, with its image-building function, is ideally suited to quickly increase awareness of BMW." It should be noted that even though BMWs had been sold to Americans since the early 1950s – if one counted the Isetta microcar, the 507, and motorcycles – in 1974 Americans were more likely to think that BMW stood for "British Motor Works," rather than the company's actual name. Therefore, BMW targeted the International Motor Sports Association (IMSA), the governing body for American Grand Touring race series, with its larger, six-cylinder cars to put the company, and its sports-sedan, in front of more potential American consumers.

Going racing in the IMSA series was a carefully calculated move made at a time when BMW had plenty of options in terms of which racing series to invest in. For instance, BMW could have entered one of the several production classes organized under the auspices of the Sports Car Club of America (SCCA). However, "advertising... under Hoffman had concentrated almost exclusively on the enthusiast magazines," and therefore the enthusiast market was not the audience which BMW needed to reach.<sup>407</sup> The Camel GT IMSA series would allow BMW to reach a broader audience, the race series included some of the most famous American tracks, such as Sebring,

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Wimmer, VM-2, "Gedanken zur stärkeren Nutzung der BMW Rennaktivität in den USA", Bericht in "Aktivitäten zur Nutzung der BMW Rennerfolge in den USA", Internal Letter to AK-1, 21st May 1975. RA 1099-1, BMW Gruppe Archiv, München.

<sup>&</sup>lt;sup>406</sup> Halwart Schrader trans. Ron Wakefield, *BMW: A History*, 84.

<sup>&</sup>lt;sup>407</sup> Ibid.

Daytona, and Talladega, which were also in other popular American racing series like NASCAR. Playing up this 'American' aspect of the GT Championship series, BMW also attempted to reach out through their tire sponsor, Goodyear, in an attempt to sign Richard Petty, a famous NASCAR driver, on the BMW team. Furthermore, the rules allowed for a relatively broad field of entries, so the BMW CSL racing car's, "Major competitors will be Porsches, Camaros, Corvettes and the new Chevrolet Monza." Lastly, BMW was the only manufacturer to enter the series as a factory team. While other race teams certainly had factory support from the relevant manufacturer, none of them were as directly involved as BMW. This demonstrated BMW's confidence in their product, at least to American consumers, and it came at a time when most major American automakers were abandoning racing, at least publicly.

The logic that drove BMW's foray into GT racing was that it would function as a brandenhancing exercise for the American market, a fact which was widely disseminated within the
organization. In a report on the concept behind the entry into motorsport the press department of
BMW noted the myriad of ways in which racing and product information could be disseminated
to American consumers, both through the dealers as well as the press, and specifically requested,
"a regular mailing of press clippings about all BMW, BMW NA, and [BMW] Motorsport related
publications."

This is indicative of how closely BMW was monitoring the outcome of their
racing venture in order to gauge its public relations and marketing value, particularly for an
American audience. After their victory in the second race of the series John Plant, the VicePresident of Marketing for BMW NA, sent a letter to all American BMW dealerships announcing

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<sup>&</sup>lt;sup>408</sup> John P. Plant, "Memo to File: Meeting with Jochen Neerpasch Motorsport GmbH," Memorandum, 10<sup>th</sup> October 1974. RA 1099-1, BMW Gruppe Archiv, München.

<sup>&</sup>lt;sup>410</sup> "Konzept: Gespräch über die Auswertung des Motorsports in den USA," intern Bericht, New York, 22nd May 1975. RA 1099-1, BMW Gruppe Archiv, München.

the victory, and calling to attention the fact that, "This victory for BMW in the Sebring event is part of a serious BMW Motorsport sponsored racing program for the 1975 Camel GT IMSA series. This first win has demonstrated our product's superiority in terms of performance and endurance over competitive makes. So that you and your customers can be a part of the future successes of BMW products in similar races, we plan to notify you in advance of the races in which BMW will participate."<sup>411</sup> For BMW, racing was all about driving increased association of the brand with motorsport, and linking this image of performance with the cars themselves.

While enthusiasts who already knew about BMW were not the primary market that the company was attempting to reach with its racing program, it also did not ignore this important group. BMW was in contact with American enthusiasts through an independent owners' club, the BMW Automobile Club of America, and used that as another avenue to exploit its racing achievements. Club officials maintained close contact with BMW, and BMW provided press-kits, which outlined racing activities and particularly noted successes, as well as racing technology that influenced production models. A letter from the editor of the BMW Automobile Club of America periodical to BMW's motorsport divisions perfectly illustrates these activities:

We received the Motorsport 1975 Press Kit for which we are extremely grateful. This kind of information enables me to provide our enthusiastic membership with the 'correct' information. Our February newsletter had already gone to press but you can see from the enclosed copy that we do give the Motorsport activities a full play using whatever resources are at our disposal. Some of my article was gathered through a conversation with Martin Braungart... <sup>412</sup>

<sup>411</sup> John P. Plant, "To All Dealers," Letter to all U.S. BMW Dealers, 26<sup>th</sup> March 1975. RA 1099-1, BMW Gruppe Archiv, München.

<sup>&</sup>lt;sup>412</sup> Barry Whitworth (Competition Editor, BMW Automobile Club of America, Los Angeles Region), Letter to Herr Jochen Neerpasch and Kalli Hufstadt, BMW Motorsport GmbH, München, 11<sup>th</sup> February 1975. RA 1099-1, BMW Gruppe Archiv, München.

BMW owners did not need to be sold on the car that they had already purchased, however, BMWs involvement in racing kept interest high, even among those already 'bought-in.' Furthermore, Whitworth's letter illustrates the sense of connection and excitement that racing activities fostered among American BMW owners, noting that, "Your race (or races if the Riverside event comes off) in California will be greeted with nothing less than wild enthusiasm." From this it can be seen that BMW's racing activities worked to create a sense of community and brand loyalty, especially among enthusiasts.

European competitors. Indeed, Porsche enthusiasts as well were watching the action, noting in *Panorama*, the monthly magazine published by the Porsche Club of America, "The BMW factory has made an assault on the Camel GT series, the likes of which have never been seen in the short history of the series." While BMW would go on to win a few events in the IMSA GT series, hardly upsetting the dominant Porsche cars, it motivated enthusiasts of both brands to watch the series and support their marque. In a clearer targeting of American enthusiasts BMW expanded their racing efforts, entering the Watkins Glen Grand Prix with two of the race-prepared CSLs. Porsche responded by organizing and sending the top five Porsche Carreras and the ten best drivers in the SCCA Grand Prix series to race at Watkins Glen. The competition being about more than racing was not lost on Americans, even among non-enthusiasts, as demonstrated by an article in a small-town New York newspaper, "Why all the attention on The Glen? Kelly theorizes that Porsche doesn't want to be beat by the BMWs in one of their prime market areas. BMW must have the same thought, with an increasing share of the Munich carmaker's products being exported to

<sup>&</sup>lt;sup>413</sup> Ibid.

<sup>&</sup>lt;sup>414</sup> Andy Schupack, "Stuttgart. Pit Panorama: The Other Game in Town," *Porsche Panorama* Vol. 20 No. 7 (1975): 31. Porsche Panorama, Porsche Historisches Archiv, Stuttgart.

the U.S."<sup>415</sup> Clearly, the BMW strategy was working, the brand name was even getting in local papers, and making BMW synonymous with motorsport among Americans who were not automotive or motorsports enthusiasts.

When looking forward towards 1976, which would bring with it the discontinuation of the 2002 and the introduction of the new 3-series, BMW evaluated its motorsport program and found it to be a great success. The enterprise had begun due to the need for BMW to establish a brand image on the basis of performance, a task made more critical due to, "the situation resulting from the takeover of sales in the USA [which] demanded increased support from BMW AG in the areas of marketing, PR and press." This increased support, which came in the form of factory supported IMSA GT Championship racing was well received by American audiences. In fact, BMW noted, "the response to the BMW involvement in American motorsport is unexpectedly diverse and positive," especially the radio and TV exposure that came with it. To be sure, it wasn't free publicity, the motorsport program was quite expensive. However, the publicity gained was far more than the cost of such had it just been bought through an advertising agency, and certainly much more enthusiastic. It also stood in stark contrast to American manufacturers, who abstained from racing as their cars lost more and more power to poorly implemented emissions controls and left them looking enfeebled.

By the end of 1975 BMW had shown that performance could come with a responsible environmental impact, that regulations did not mean the death of sporty cars. This then justified the higher price of BMW cars as the Nixon shock caused the American dollar to plummet in value,

<sup>&</sup>lt;sup>415</sup> Rick Schwar, "Porsche: All-Out Challenge to BMW" *Times Herald* 5<sup>th</sup> July 1975. RA 1104-1, BMW Gruppe Archiv, München.

 <sup>416 &</sup>quot;Motorsport in den USA 1975" Press Release, BMW AG, BMW Motorsport GmbH, 29th September 1975. RA
 1104-1, BMW Gruppe Archiv, München.
 417 Ibid.

thus raising the cost of an already expensive import. When emissions regulations made importing a high-performance sports sedan too difficult, BMW turned to racing to create a brand image based on motorsports performance, even if the cars that raced could not be legally driven on American streets. This image supported the introduction of the 3-series in 1976, which as Paul Ingrassia argues came at an opportune time, "The first baby-boomers were hitting thirty, and had money to spend."<sup>418</sup> And spend it they did, the 3-series kept BMW sales numbers growing well into the 1980s, and demonstrated the stability of the sports sedan segment that BMW had created with the 2002 in 1968.

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<sup>&</sup>lt;sup>418</sup> Paul Ingrassia, Wheels of Change, 254.

### **EPILOGUE**

In 1978, Volkswagen purchased a partly constructed automobile factory abandoned by Chrysler due to financial problems in New Stanton, Pennsylvania, becoming the first foreign automotive manufacturer to establish a production facility in the United States. The neat association between products and national identity—between imports and domestically produced automobiles—that had characterized the American car industry for almost a century was now challenged by a foreign manufacturer operating an assembly facility in the United States. Were the Volkswagen Rabbits produced there an American product? What defined the nationality of a product? Was it where the majority of the components were manufactured, where it was assembled, or where the brand was headquartered? As automotive journalist Brock Yates noted in 1983, "the growing internationalization of the business... blurs the distinction between a 'domestic' and 'imported' automobile." <sup>419</sup> American consumers were forced to grapple with these questions at the same time as a rising tide of automotive imports from Japan threatened to swamp domestic automakers, which added a layer of nationalistic rhetoric about the 'survival' of American industry. The visible erosion of American automakers, a symbol of postwar American industrial and economic power, within their own market was a shocking indicator of American industrial malaise and decline. In response to foreign pressure, American industries and politicians resorted to 'Buy American' campaigns in an effort to stem the tide, however this only further demonstrated the weakness of American automobiles compared to their foreign competition. The campaign also highlighted the problems of determining the national origin of products and forced many Americans to reckon with the realities of a global economy in which American industries were not

<sup>&</sup>lt;sup>419</sup> Brock Yates, *The Decline and Fall of the American Automobile Industry* (New York, Empire Books, 1983), 266.

dominant. This has led to a debate which continues to this day, illustrated by the conversations and forum posts of contemporary American enthusiasts who spend countless hours arguing about the national traits of manufacturers and consumers.

This epilogue provides a brief overview of the establishment and failure of the first foreign automotive manufacturing plant in America. It illustrates why this project ended in the 1970s, as the clean lines that traditionally delineated product nationality - which allowed American enthusiasts to see their European sports cars as a product with national and regional traits based on its place of design and manufacture – began to dissolve moving into the 1980s. The success of Japanese automakers in this period is then briefly examined as it has come to dominate historical narratives and generally obfuscates the earlier successes and influence of European manufacturers. Japanese success, and their capture of a significant market-share in America, led to a 'Buy American' pushback, which resulted in harsh anti-Japanese sentiment. It concludes with an examination of how these debates have informed current perspectives on foreign influence in the American automotive market. The global economy and supply chain is no longer shocking, yet that does not mean it is universally accepted: just as historians have demonstrated that 'Americanization' within Europe was complicated by adaption, appropriation, and outright resistance, so too is the contemporary global economy resisted and co-opted by individual Americans.

The Volkswagen plant in New Stanton, Pennsylvania was only responsible for producing one model, the Rabbit, which replaced the Beetle as Volkswagen's entry-level economy car. Far more important than high American demand, which was straining capacity of Volkswagen's Wolfsburg factory, was that after the collapse of Bretton Woods Volkswagen sought to be, "less

susceptible to gyrations in the value of the [Deutsch]mark."<sup>420</sup> The ripples of the Nixon shock did not end in 1973, but continued well into the 1980s as the now unconvertible dollar's value was equalized. As the dollar fell, and European currencies like the Deutschmark rose, Volkswagen was forced to keep increasing the prices of their products in America. The increases were usually small, but had begun to add up; in over the course of a year-long span in 1977-1978 Volkswagen had been forced to increase prices across their product range by three percent five separate times. <sup>421</sup> Karl-Otto Pöhl, a German Staatssekretär and Volkswagen Aufsichtsrat member pointed out that, "We realize that Volkswagens made in Germany are just too expensive, after repeated dollar devaluations, to meet the American and foreign competition in the United States." <sup>422</sup> Therefore, moving production to America was undertaken as a strategic move to keep the costs of production aligned with the value of the dollar and hopefully stabilize prices in the American market.

Just as in the majority of cases of American companies establishing subsidiaries in Europe, locals welcomed the venture with open arms. Rural Pennsylvanians hoped the factory would bring an economic boom that would revitalize a region increasingly abandoned by the steel mills and coal mines which had driven settlement and small-town economies. However, there were problems. The site of Volkswagen's plant in rural Pennsylvania meant that none of the nearly 5700 workers hired locally had any experience in manufacturing, let alone high-tech automotive manufacturing. Therefore, the state of Pennsylvania stepped in and lent the services of local community college

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<sup>420</sup> James Mateja, "Volkswagen goes American in bid to be best-seller," *Chicago Tribune* 14<sup>th</sup> August 1977. Accessed 3/3/2018 from https://search-proquest-com.ezproxy.lib.purdue.edu/docview/169586230/7F1E3A5B2AF64B1BPQ/18?accountid=13360.

<sup>421</sup> Brendan Jones, "Volkswagen Raises Prices of '78 Models An Average of 3.9%," *New York Times* 1st April 1978. Accessed 3/3/2018 from https://search-proquest-com.ezproxy.lib.purdue.edu/docview/123765788/CA3ADFEDA7344968PO/5?accountid=13360.

<sup>&</sup>lt;sup>422</sup> The Aufsichtsrat is a supervisory board which is hierarchically above the Vorstand, the Executive Board, in German industrial organization. Karl-Otto Pöhl quoted in Craig R. Whitney, "Volkswagen Said to Plan Assembly Plant in U.S.: Formal Decision on \$250 Million Outlay Due Today Though Company Fears Washington 'Dumping' Penalty," *The New York Times* 23<sup>rd</sup> April 1976. Accessed 3/4/2018 from https://search-proquest-com.ezproxy.lib.purdue.edu/docview/122676624/CA3ADFEDA7344968PQ/1?accountid=13360.

faculty to help train new workers as well as a six-million-dollar investment from the Pennsylvania State Employee's Pension fund; this was all in addition to the other economic and infrastructure 'sweeteners' the state had offered, such as a low interest loan of forty-million dollars. While this helped shore up the need for workers, investments from the state government could not, however, compel Americans to buy Volkswagen products over the Japanese competition.

This new era of globalization heralded by the surprising tide of incredibly successful Japanese automotive imports flowing into America not only hurt American manufacturers, but European automakers as well. Far from regaining their former title of number-one import brand in the American market, Volkswagen continued to slip downwards as Japanese automotive brands continued to dominate the American market moving into the 1980s. The reasons for this are multifaceted, but many blamed Volkswagen's refusal to innovate to counter increasing Japanese competition in the economy segment. The president of an automotive research and consulting company, Thomas O'Grady, argued in an interview that Volkswagen had, "designed cars for Germany and then tried to sell them here. Meanwhile the Japanese grabbed their market away from them." Others, like Steve Smith, an automotive columnist, claimed that by assembling their vehicle in America, Volkswagen had lost "The old German image... Since they've touted themselves as being built here, you've got to wonder if people think they have the same shabby craftsmanship they associate with Detroit." This is illustrative of the complex global issues that an increasing number of American consumers were puzzling through when they considered

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<sup>&</sup>lt;sup>423</sup> Wilfred C. Rodgers, "A Domestic Breed of Rabbit" *Boston Globe* 7<sup>th</sup> October 1980. Accessed 3/4/2018 from https://search-proquest-

com.ezproxy.lib.purdue.edu/docview/294009601/CA3ADFEDA7344968PQ/11?accountid=13360.

<sup>&</sup>lt;sup>424</sup> Thomas O'Grady quoted in John Holusha, "Volkswagen to Shut U.S. Plant" *New York Times* 21<sup>st</sup> November 1987. Accessed 3/2/2018 from https://search-proquest-com.ezproxy.lib.purdue.edu/docview/110690990?accountid=13360. 
<sup>425</sup> Steve Smith quoted in Brock Yates, *The Decline and Fall of the American Automotive Industry* (New York: Empire Books, 1983), 140.

purchasing a new vehicle; where was it made and how will that effect the attributes of the final product? As journalist Brock Yates argues, "image remains a critical factor in the car selling business," and the nature of that image for a foreign brand manufacturing in America was difficult to coherently articulate. 426 On one hand, Volkswagen wanted to tell consumers that the American-produced Rabbit was just as German as the one that rolled off the line in Wolfsburg. However, as increasing anti-import sentiment brewed due to the competition from Japanese brands, Volkswagen also wanted to emphasize that the Rabbit was really an American car, produced by American workers and thus just as vital to the national economy as General Motors, Ford, or Chrysler. Decreasing American sales meant a correspondingly decreasing need for production and the factory went from working two full shifts to just one. In 1987 Volkswagen announced that the plant would be closing in 1989 just after its ten-year anniversary, an ignominious end for the first foreign manufacturing plant in the United States. 427

While the Volkswagen experiment in American production ended in 1989, it did not signal the end of foreign automobile production in the United States; in fact, it was a harbinger of things to come. Although the trend was started by a European brand, it would be Japanese automakers, driven by their capture of core segments of the American automotive market, which would establish a lasting manufacturing presence in America. The herald of serious Japanese competition arrived in 1973, just in time for the Oil Crisis, in the form of the 1973 Honda Civic. The Civic was a small vehicle strictly focused on fuel economy and utility in the vein of the original Beetle, one of the few European automobiles to enjoy volume-sales in America. The economical Civic was the perfect automotive product for the time in which many Americans faced fuel shortages and

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<sup>&</sup>lt;sup>426</sup> Ibid.

<sup>&</sup>lt;sup>427</sup> "VW Closing Hits Struggling Town Hard Though Many had seen Signs Coming, Bad News Came as Shock." *Los Angeles Times*, 21<sup>st</sup> November 1987. Accessed 3/4/2018 from https://search-proquest-com.ezproxy.lib.purdue.edu/docview/292686626?accountid=13360.

gasoline rationing, but more importantly the Civic was tangible proof of the maturation of the Japanese automotive industry. This is indicated by the accolades it won in several American periodicals, including Car and Driver's Best Economy Sedan for 1974, an incredible achievement for a manufacturer that had only managed to produce extremely small and cheap-feeling cars and motorcycles in years prior. 428 Their image was further bolstered when, in response to the tightening of U.S. emissions regulations in 1975, Honda responded that its products would have no trouble achieving the new targets without the need for an expensive catalytic converter which was driving up the cost of comparable domestic and European vehicles. For the first time since their introduction in the American market Japanese cars were associated with technical and material quality, not just their cheap price. However, Honda was not alone, Toyota was another Japanese automaker gaining significant market share in America with their economy vehicle range. In 1975 there was another shock; Japanese carmaker Toyota replaced Volkswagen as the leading foreign automotive import to the United States, with sales of over 300,000 units. 429 Thus, by the end of the 1970s the majority of American attention was focused on the dominance of Japanese automakers rather than the fact that the initial inroads to foreign manufacturing in America was made by a European brand.

It was therefore unsurprising when Honda began automobile production in Marysville, Ohio in 1982. The manufacturing of a Japanese car in America raised the same questions of product nationality that played at least a partial role in the decline of Volkswagen. Andrew McKevitt illustrates the complex relationship of American consumers with Honda cars in the 1980s, noting that 'Made in America' stickers on the bumpers of Honda cars indicated, "the

<sup>&</sup>lt;sup>428</sup> Wanda James, *Driving from Japan: Japanese Cars in America* (Jefferson: McFarland & Company, Inc., 2005), 114.

<sup>&</sup>lt;sup>429</sup> Ibid, 61.

American hands assembling the cars defined the products' national identity more than the Japanese name on the rear end." Indeed, even automotive journalist Brock Yates pointed out in his 1983 book, *The Decline and Fall of the American Automotive Industry*, "American loyalists can buy the four-door [Honda Accord] in good conscience because it is being manufactured – with the same exceptional standards of quality – in Honda's new Marysville, Ohio plant." Their dominance in the economy car and sedan sectors, bolstered by the fact that their vehicles didn't face as much of the nationalistic vitriol endured by other imports, meant that their facility was consistently expanding over the course of the 1980s and production continues to this day.

In response to Japanese dominance in the automotive market, American manufacturers responded with marketing that pressured consumers to 'Buy American.' This is perhaps best illustrated by television advertisements for Chrysler cars featuring Lee Iacocca, the man who had been installed as CEO in a last-ditch attempt to keep the company from going out of business, walking through an automotive factory touting the benefits of American cars. In a one minute and thirty second video segment which opens with Iacocca saying, "A lot of people think that America can't cut the mustard anymore... when you've been kicked in the head like we have, you learn to put product first," he argues that American industries are capable of producing quality automobiles. However, these advertisements obfuscated the fact that most American cars were no longer entirely American, as Yates argues, "Perhaps the ultimate absurdity is a 'Buy American' sticker on a Plymouth Horizon or Dodge Omni, cars which are powered by German-made engines

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<sup>&</sup>lt;sup>430</sup> Andrew C. McKevitt, *Consuming Japan: Popular Culture and the Globalizing of 1980s America* (Chapel Hill: University of North Carolina Press, 2017), 80.

<sup>&</sup>lt;sup>431</sup> Brock Yates, *The Decline and Fall of the American Automobile Industry*, 272.

<sup>&</sup>lt;sup>432</sup> Chrysler Corporation, "1984 Lee Iacocca Chrysler Commercial," Color Video Advertisement, 1:30, reposted by runfromcheney09 22<sup>nd</sup> November 2008. Accessed 3/7/2018 from https://www.youtube.com/watch?v=nppKMomMP-4.

and French-designed transmissions."<sup>433</sup> Yet despite the fact that many so-called 'American' cars were perhaps not as domestic as they first appeared, the message was internalized by uncritical American consumers and equated with patriotism.

While marketing campaigns could only exhort American consumers to purchase domestically manufactured vehicles to display patriotism, in the public-sector legislation could force the issue. In 1984 Pennsylvania state law required that, "cars purchased by public agencies must be assembled in the United States. Three-fourths of the parts must be manufactured domestically."434 However, while seeming in support of the traditional domestic manufacturers, this law was more than likely intended to help Volkswagen, which was still manufacturing cars at their Pennsylvania plant. The law was further complicated by the fact that many American firms were increasingly turning to imported sub-assemblies or major components for their cars, and had been for decades. Even if imported only from Canadian facilities, many General Motors, Ford and Chrysler products weren't considered 'American made' by the state law. 'Buy American' campaigns extended into the private sector as the cause was taken up by well-meaning American business leaders. In 1983 Curtis Rodgers, the president of an eyeglass manufacturing firm, offered his employees \$300 if they would buy an American-built car within six months. 435 In the end, however, these campaigns did little to stem the tide of Japanese automotive imports as increasing numbers of American consumers chose to buy imported cars over their domestic competition.

While the clean lines that had separated domestic and import categories had faded, the reality that by 1980 Japanese manufacturers had captured just over 30% of the American market

<sup>&</sup>lt;sup>433</sup> Brock Yates, *The Decline and Fall of the American Automobile Industry*, 266.

<sup>&</sup>lt;sup>434</sup> Associated Press, "Buy American Law Backfires for New Cars," *Morning Call* 6<sup>th</sup> March 1985. Accessed 3/3/2018 from https://search-proquest-com.ezproxy.lib.purdue.edu/docview/392002860?accountid=13360.

<sup>&</sup>lt;sup>435</sup> Associated Press, "Workers Offered \$300 to Buy American Cars," *Boston Globe* 3<sup>rd</sup> February 1983. Accessed 3/3/2018 from https://search-proquest-com.ezproxy.lib.purdue.edu/docview/294367379?accountid=13360.

ignited fears of American decline. Those fears, whipped up by 'Buy American' campaigns, were especially prevalent among automotive workers, and resulted in anti-Japanese sentiment and nationalistic rhetoric. This had a tragic result when on June 19<sup>th</sup>, 1982, Vincent Chen, a Chinese-American, was murdered by a recently laid-off Chrysler foreman and his step-son who had mistaken him for a Japanese person. This deadly incident was an outlier, although anti-Asian sentiment continued to percolate. On the West Coast, far from the industrial centers of the Midwest, frustrated Americans targeted Asian immigrants for their role in ending the dominance of American automotive manufacturers. In this case however, they were targeted as consumers:

It is essential for all new neighbors to demonstrate patriotism and love for America. And one sure way is investing their earnings into U.S. made products. But many Asians & others have been accustomed to purchasing an assortment of trendy Japanese cars. And so obvious are those who show off their arrogant economic & social status with expensive, prestigious European[sic] type foreign vehicles... The current massive foreign car-buying behavior of new immigrants not only insults the American workers, it also increases U.S.-foreign trade deficit. However, the free choice of buying fine American produces[sic] would clearly demonstrate how a new neighbor could show their grateful appreciation to the American workers and for being here in the U.S.A.<sup>437</sup>

The anger, frustration, and resentment of whoever wrote this flier, which was delivered to the offices of *Asian Week*, a San Francisco based newspaper with an obviously targeted demographic, drips through the poorly constructed text. Despite the fact that no vehicle in the 1980s was really the product of a single nation, it is clear that within some circles American public opinion still demanded a quasi-nationalist fealty to the traditionally domestic manufacturers. Anything else simply wouldn't be neighborly.

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<sup>&</sup>lt;sup>436</sup> Andrew McKevitt, Consuming Japan, 80.

<sup>&</sup>lt;sup>437</sup> "Fliers Warn Immigrants To 'Buy American'" *Asian Week* 25<sup>th</sup> March 1988. Accessed 3/7/2018 from https://search-proquest-com.ezproxy.lib.purdue.edu/docview/371348562/FE1039009DA42D1PQ/29?accountid=13360.

While some of the vitriol has subsided, in the 2000s, long after the Japanese threat of total automotive dominance had proved unfounded, American automotive enthusiasts are still grappling with the questions raised by the globalizing influence of the automotive industry. As fuel economy standards continue to rise, increasing effort is being made by American manufacturers like Ford to bring European technology and design to Americans, however the consumer reaction is not always positive. An example is the direct-injected, 3-cylinder turbo-charged engine, developed by Ford's UK subsidiary for the European market. The engine is specifically designed to achieve impressive fuel economy, without the typical resultant loss of power that comes with less displacement. Given that the engine was announced to Americans as the price of gasoline reached record highs in 2013, Ford's timing could not have been better, and this was reflected in positive press reveals which touted the new engine's benefits. Yet when one reads the comment sections of these articles one finds that many consumers reacted negatively, as illustrated by the following comment posted to one of these press reveals:

I'm really tired of car companies trying to push their "advanced" European junk on Americans. I don't care how many awards this mill has won in Madrid, or how many chain-smoking, hirsute French fashion models wearing bad Betty Page wigs gush over its innards at some Paris auto show. This engine is a dog. I'm sick of car companies trying to European-ize[sic] the American driver. This turbo-3 works well in Europe for one reason: Europeans don't drive. Gasoline over there is more expensive than a good wine, so they stay home and drink. Americans love long trips, they love short trips. We like to gun our engines when cold, we like to idle them when hot too. We pack our cars with stuff and people and we love our a/c.<sup>439</sup>

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<sup>&</sup>lt;sup>438</sup> Jason Torchinsky, "Why Ford's Tiny 1 Liter, 3 Cylinder is the Futore of Gasoline Engines" *Jalopnik* 14<sup>th</sup> March 2014. Accessed 3/12/2018 from https://jalopnik.com/why-fords-tiny-1-liter-3-cylinder-is-the-future-of-ga-1543662936.

<sup>&</sup>lt;sup>439</sup> Comment posted by user Sketch447 on 6<sup>th</sup> October 2014 in response to Daniel Latini, "Deep Dive: Ford 1.0L EcoBoost" *The Truth About Cars* Oct. 6<sup>th</sup> 2014. Accessed 5/6/2017 from http://www.thetruthaboutcars.com/2014/10/deep-dive-ford-1-0l-ecoboost/.

While the commenter calls the engine a dog, meaning it has lackluster performance, it is clear that there is more going on here than someone indicating that the new engine is underpowered. While presented less overtly than the 'good neighbor' flier, the same sort of nationalistic resentment is displayed. In other words, the comment isn't about engine power, it is about the place of American industries and American consumer preference within a globalized economy and reflected in that sentiment is a nostalgic wish to return to a period in which foreign influence could be shut out.

Yet this imagined period never existed; Americans were never immune to influence from beyond their borders even at the height of its geopolitical power as this dissertation has demonstrated. From the British sports cars that introduced GI's to a new type of vehicle and European enthusiast culture to the BMW Neue Klasse which redefined sports-performance in the late 1960s, America has never been free of European influence. Indeed, American manufacturers adapted and appropriated the European sports car resulting in the Chevrolet Corvette, which is viewed today as a symbol of 1950s Americana. However, the Corvette was not alone, competition with European manufacturers inspired the Ford Thunderbird as well as the importation of GM's captive European brand, Opel, in an attempt to capture the niche market for performance vehicles which European manufacturers revealed. Furthermore, this project has used the European sports car as lens to examine the globalization of the American automotive industry and particularly the enthusiast community, demonstrating that the consumption of a particularly European product served as a conduit to transmit forms of European culture to American consumers. American enthusiasts engaged in the adaption of a European automotive culture and forged transnational connections through their passion for European performance vehicles and motorsport. The love of American consumers for European sports cars even compelled some to travel through Europe, experiencing the culture first-hand, and forming transnational connections with European

enthusiasts. In this way American sports car enthusiasts reflected a microcosm of cultural and economic globalization occurring within America, not just beyond its borders. Indeed, American automotive enthusiasts had perhaps the most cosmopolitan outlook on the increasing globalization of America, a position that is perhaps best articulated by sports car enthusiast Jasbir Singh Dillon in a 2018 video interview for *Petrolicious*, "The thing that you always take away is the people that you meet as a result, and the relationships that you make, really... lifelong friendships. It transcends all boundaries, races, borders, countries, the passion is truly global." <sup>440</sup> As my dissertation has demonstrated, the passion is global and the consumption of European sports cars by American enthusiasts has significantly contributed to a process of cultural and economic globalization that begin as Europe recovered from the Second World War.

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<sup>&</sup>lt;sup>440</sup> Jasbir Singh Dhillon, interviewed in "1991 Jaguar XJR-15: Britain's Fervent Feline" *Petrolicious*, Video, 23<sup>rd</sup> January 2018. Accessed 2/13/2018 from https://petrolicious.com/films/1991-jaguar-xjr-15-britains-fervent-feline.

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