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BUICK'S HERITAGE IMPORTANT, DRAMATIC

DETROIT – Buick Motor Division, which celebrates its centennial in 2003, claims one of the most important and dramatic chapters in the history of the American automobile.

Important? Buick was the financial pillar on which General Motors – today the world's largest automaker – was created.

Also, the roster of Buick's early leaders is an all-star lineup of auto pioneers – William C. Durant, GM's founder; Charles W. Nash, a founder of what became American Motors; Walter P. Chrysler, founder of Chrysler Corp.; and Harlow H. Curtice, a GM chief executive in the postwar era and Time magazine's 1955 "Man of the Year."

As legendary GM President Alfred P. Sloan Jr. once wrote, "Buick had the management of stars."

Then there's Louis Chevrolet, who helped Durant found Chevrolet Motor Co. His earlier stint at Buick was not as an executive but as a star of the Buick racing team.

Dramatic? The division's history has been exciting from the beginning. One example: Buick recovered from near-bankruptcy in 1904 to stake a claim as the No. 1 producer of automobiles in 1908 – by some accounts surpassing the combined production of Ford and Cadillac, its two closest competitors.

By the 1920s, Buick was becoming the car of choice for kings, sultans and political leaders and winning competitions from South America to Australia to the Soviet Union.

In 1940, Chris Sinsabaugh, who as a newspaperman had covered the automobile industry from its inception, reflected, "Buick was the first real success of the automobile industry and did more to promote the industry's well-being in terms of public education, engineering advancement, and manufacturing progress than perhaps any other company."

Yet in 1903, Buick Motor Co. was hardly one of the more promising of the hundreds of tiny automobile companies struggling to emerge across the country.

Its founder had produced only two cars in three years of trying. David Dunbar Buick, though an inventor of merit, was sometimes scorned as a dreamer. His company was in debt, its engineer had just left, and its financial backer wanted to bail out.

David Buick, born in Arbroath, Scotland, Sept. 17, 1854, and brought by his parents to the United States at age 2, had been a successful plumbing inventor and manufacturer in Detroit when his head was turned by gasoline engines in the late 1890s. He started a succession of companies: Buick Auto-Vim and Power Co. (1899 or 1900), Buick Manufacturing Co. (1901 or 1902) and Buick Motor Co. (incorporated May 19, 1903), all in Detroit.

These companies produced engines for power boats and farm use. By early 1901 a horseless carriage, referred to in letters as "the Buick Automobile," existed. David Buick tried to sell it that year to his former engineer, Walter Marr, for \$300. Marr held out and got it for \$225. Marr had likely built the car for Buick – possibly in 1899 or earlier.

Buick and his engineers argued often and his companies were always under-funded and often underachieving. Marr said he worked for David Buick three times and each time the company had a different name. But between Buick, Marr and another engineer, Eugene Richard, the Buick company developed its sensational overhead valve (later called "valve-in-head") engine. By locating the valves in the top of the combustion chamber, unlike other engines of the time, the Buick design allowed the engine to

breathe more efficiently and develop more horsepower per cubic inch of displacement than other engines. The Buick engine was light, powerful and reliable, and eventually the entire industry would make use of this principle. But in 1903, David Buick had neither the people nor the money to develop it.

The company's fortunes changed after David Buick and his financial backer, Benjamin Briscoe Jr., sold it to a group of wagon makers in Flint, 60 miles north of Detroit. Eighteen years later, Briscoe observed that Buick's success in Flint was "so fraught with romance that it made Arabian Nights tales look commonplace."

Buick traditionally dates its beginnings to 1903 because that was the year Buick Motor Co. was incorporated, refinanced and moved to Flint.

On Sept. 11, 1903, James H. Whiting, manager of the Flint Wagon Works, announced that the wagon works directors had bought the Buick company and would move it – bag, baggage and David Buick – from Detroit. By December, a new one-story brick factory on W. Kearsley Street in Flint was up and running – engines were being built. On Jan. 22, 1904, Buick Motor Co., Detroit, was dissolved and on Jan. 30, 1904, Buick Motor Co., Flint, was incorporated.

Flint, an old lumbering center, was already known as "The Vehicle City" – but not for automobiles. It had been a center of horse-drawn carriage production for several decades.

In May and June of 1904, the company built the first Flint Buick. Walter Marr, back again as chief engineer, and Thomas Buick, David's son, took it on a test run to Detroit and back July 9-12. The test was so successful Whiting ordered production to start. Buick began producing the Model B, its first retail model, that summer and built 37 cars by the end of 1904. When the company ran into financial problems that fall, Whiting turned to one of Flint's other carriage builders for help.

The man was William C. "Billy" Durant, aka Flint's carriage "king." Grandson of a Michigan governor of the Civil War era, Durant had gotten into the vehicle business almost on a whim. One evening in 1886, the energetic young businessman hitched a ride in an attractive horse-drawn road cart on the streets of Flint. The cart had a patented spring suspension that cushioned the bumps. The next night, Durant hopped a train to Coldwater, Mich., where the cart was manufactured, and bought the rights to build it. That year he started the Flint Road Cart Co. By 1900, the firm, renamed the Durant-Dort Carriage Co., was the largest producer of horse-drawn vehicles in the country – largely thanks to Durant's promotional genius.

Durant didn't particularly like automobiles – he was no different than most carriage men in that opinion. But he knew a "self-seller" when he saw one. The Buick, he observed, drew plenty of attention because it could climb hills and run through mud like no other car he had ever seen. If automobiles could be this good, he thought, then maybe it was time to switch.

Once Durant made that decision, Buick's success was assured. No one could raise money, sell products and plan big organizations like Billy Durant. He went to the 1905 New York Auto Show and took orders for 1,000 Buicks before the company had built 40.

He moved Buick assembly briefly to Jackson, Mich., in 1905 (building more than 700 Model Cs there that year) while he gathered money from Flint banks and businessmen to erect what he called the largest assembly facility in the country on Flint's north side. He persuaded Charles Stewart Mott (later a GM director for 60 years) to move his axle business from Utica, N.Y., to Flint to build axles for Buick. He promoted Buicks across the country, using Durant-Dort carriage outlets and salespeople as the nucleus of a giant distribution system.

He created a racing team – with stars such as Louis Chevrolet and Wild Bob Burman – that won 500 trophies from 1908 to 1910.

The success of Buick engines was evident on the race tracks – including 1909 successes at Indianapolis Motor Speedway two years before the first Indy 500 – and in endurance tests across the country and around the world. Buick was the only car to complete a 1,000-mile Chicago-to-New York relay race in 1906; another set a record (24 days!) from New York to San Francisco that year. A 1912 Buick Model 28 was the first car to travel across South America, driven from Buenos Aires, Argentina, over the Andes to Santiago, Chile, in 1914. Buicks won hill-climbs across the country – including one in 1904 with one of the first 40 Buicks ever built.

In 1908, Buick claimed to lead the country in automobile production, with 8,820 produced – and with the hot new Model 10 as the biggest seller (4,002). Durant had made the transition from the biggest producer of buggies to the biggest producer of automobiles. And, on Buick's success, Durant created a holding company that year. He called it General Motors.

Durant first engaged in merger talks with other producers in the low-price field, including Henry Ford and Ransom Olds (Olds had started Oldsmobile but at that time headed REO).

Undaunted when those talks collapsed, Durant created GM as a holding company Sept. 16, 1908, and quickly pulled first Buick, then Oldsmobile, into the organization. Then he added Cadillac and Oakland (forerunner of Pontiac) and dozens of truck and supplier businesses – including the forerunner of AC Spark Plug, which he helped create with Albert Champion (whose initials formed the firm's name).

Durant became financially overextended as he pulled more than 30 companies under the GM umbrella in 1908-10. He lost control of GM to bankers in 1910. He and Louis Chevrolet developed the Chevrolet company the following year, and Durant traded Chevrolet stock to regain control of GM in 1915-16. Ironically he succeeded, as GM president, Charles W. Nash – whom Durant had hired into his carriage business and later helped make president of Buick.

Nash had brought Walter Chrysler to Buick as works manager. Durant persuaded Chrysler to stay after his takeover by promoting him to president of Buick. But they were both too strong-minded to co-exist for long. Chrysler was a brilliant manufacturing leader and strengthened Buick for several years but eventually resigned in a dispute with Durant. Not long afterward, in 1920, Durant also resigned – forced from GM leadership in a short depression during which he was again overextended in the stock market.

According to Alfred P. Sloan Jr., who in 1923 became GM president, Buick's strong reputation and financial position were major factors in pulling the corporation through that period.

Buick's star climbed steadily during the Roaring '20s, under the leadership of Harry H. Bassett from 1920 until his untimely death in 1926, with production reaching more than 260,000 units in 1926. The car's reliability was world famous. In 1923, the renowned writer-traveler Lowell Thomas chose a Buick for the first automotive expedition into Afghanistan. Two years later, Buicks won trophies in Leningrad-to-Moscow endurance and reliability runs – beating more than 40 cars from throughout the world.

Also in 1925, a Buick was taken around the world without a single driver – showcasing the reliability of Buick's and GM Export's service operations worldwide. The car was driven by dealer representatives in England, the Netherlands, Belgium, France, Egypt. It traveled by trans-desert convoy to Damascus, Baghdad and Basra. Then it was on through India and Ceylon, across Australia and New Zealand, and finally and triumphantly, from San Francisco to New York.

A Buick magazine of the '20s routinely reported such events as a hill-climb victory in Africa, winning a tug-of-war with an elephant, a trek through New Zealand, and the Sultan of Johore with his Buick in the Far East. In addition to U.S. production, Buicks

were built in Canada through an early agreement with the McLaughlin Carriage Co. family. This arrangement led to the creation of GM of Canada.

And, in those decades before World War II, Buick components were shipped to such countries as Spain, Belgium, England, Australia, New Zealand – even Java – where assembly was completed.

In 1929 Buick opened a sales office in Shanghai, China. Actually, Buicks had been exported to China as early as 1912 and soon became a popular marque among Chinese business and political leaders. And in the '20s and '30s, Buicks built in Canada became popular with British royalty.

As a maker of premium automobiles, Buick was hard hit by the Great Depression of 1929. In addition, the new leaders who succeeded Bassett were criticized as complacent, the '29 Buicks looked “pregnant,” and a low-priced 1930 Buick named Marquette lived only a year. In 1933, production plummeted to a little more than 40,000 units. But late that year, Harlow H. Curtice, the 39-year-old president of AC Spark Plug, was tapped by GM to bring Buick back to its former greatness.

A super salesman in the Durant mold, Curtice brought power and speed back to Buick. He soon issued a simple challenge to Harley Earl, GM's design chief, who always drove Cadillacs. Curtice's challenge: “Design me a Buick you would like to own.” The result was the 1936 line which added Roadmaster and other successful names to the Buick stable: Special, Century, Limited. That year production rose to 200,000. Buick, said a GM executive, was “off relief.”

Buick continued to break ground in styling and engineering until it turned to World War II military production in February 1942. During World War I, Buick had built Liberty aircraft engines and Red Cross ambulances (the division today displays a letter of thanks from Great Britain's then-minister of munitions, Winston Churchill, to Durant for war

production). In World War II Buick helped make Flint an “arsenal of Democracy” by building aircraft engines, Hellcat tank destroyers and other military hardware.

Buick was awarded more than 30 separate military contracts and Buick-built material could be found at virtually every fighting front.

Like other automakers, Buick had to begin the postwar period in late 1945 with warmed-over designs from 1942 for a market that was hungry for new cars. But Buick’s 1942 models had been new and fresh. On some models, front fenders swept back dramatically along the doors to touch the leading edge of the rear fenders – considered an important new design statement. And the ever-famous “carnivorous” pop-art grille had made its debut in ’42. Buick was well positioned for the postwar boom.

Buick quickly expanded its facilities under Curtice, who in late 1948 became a GM executive vice president, a job that led to the GM presidency a few years later. But despite the fact his responsibilities now included all the car and truck divisions, he never really left Buick or Flint. He maintained his home in that city and never owned any other make of car but a Buick.

His successor at Buick was his comptroller, Ivan L. Wiles, though it was said Curtice never really gave up control. The postwar period was a great era for Buick in sales, styling and engineering. Sales rose rapidly, to 550,000 in 1950, to 745,000 in 1955. The torque converter automatic transmission, Dynaflo, was introduced in 1948; a high-compression V-8 debuted in 1953. The famous vertical-bar grille became ever more massive. “Hardtop convertible” styling was introduced in 1949, along with Buick’s famous “portholes” (which, as auto trivia collectors are quick to point out, were originally called VentiPorts).

These styling innovations are often attributed to Buick designer Ned Nickles. However, Edward T. Ragsdale, Buick manufacturing manager and later general manager, helped inspire the hardtop convertible styling. Ragsdale noticed that his wife Sarah always

ordered convertibles but never put the top down. She said she liked the styling but didn't want to muss her hair. The basic styling was to eliminate the center side pillar. Buick built 4,000 hardtop convertibles in 1949, the first of hundreds of thousands it would produce over the next few years.

But in the late 1950s, Buick went into another tailspin because of a combination of unpopular styling, product problems, and an economic recession that helped make small cars popular. From a high of nearly 750,000 cars in 1955, sales plunged to fewer than 250,000 units in 1959.

In '59, Buick changed the names of its entire product line, discarding Special, Century, Super, Roadmaster and Limited in favor of LeSabre, Invicta and Electra. Under a new general manager, Edward D. Rollert, who emphasized quality, the Special name returned on a compact car with an aluminum V-8 engine in 1961. The following year, Buick offered the first U.S. mass-produced V-6 in the Special, which was named Motor Trend magazine's "Car of the Year." Buick's sales climbed to more than 450,000. In 1963, the Riviera, today considered a modern classic, was introduced as a sporty, stylish coupe.

Buick sales continued to rise through the 1960s and hit a record 821,165 in the 1973 model year. But the bottom fell out again with the oil embargo late that year.

Buick rebounded. The division re-introduced the V-6 and continued to develop economical engines and attractively designed cars that became ever lighter and more innovative. And when the U.S. auto industry as a whole was severely hurt by the high gasoline prices of the early 1980s, Buick was grabbing more market share. Among heralded models was the first front-wheel-drive Buick, the 1979 Riviera S Type with turbocharged V-6 engine, another Motor Trend "Car of the Year."

Buick broke sales records in 1984 with more than one million Buicks sold worldwide. In 1985, Buick-powered cars won the pole position and the second spot in qualifying for

the Indianapolis 500 – the first time since 1931 that an American production-based engine had won the Indy 500 pole. The qualifying success confirmed that Buick's high-tech engines could be – and were – highly competitive on the race tracks of America. Buick engines powered 11 of the 33 cars in the 1990 Indy 500 – more than any other manufacturer – and in 1992 won the pole position again with a record-setting performance. That year, 12 Buick-powered cars qualified and one of them, driven by Al Unser Sr., finished third.

Buick's 1986 and 1987 Regal Grand National, and a limited-edition 1987 GNX, were widely acclaimed as the quickest American-built cars. They were powered by intercooled and turbocharged versions of the 3.8-liter V-6.

One featured car for '86 was the front-wheel-drive LeSabre, built at "Buick City" in Flint. Buick City, an innovative project strongly backed by General Manager Lloyd E. Reuss (later a GM president), as well as UAW Local 599, was described as a state-of-the art assembly facility. It was built inside walls of old buildings in Buick's Flint complex which had formed the cornerstone of General Motors.

In 1989, Buick City hit its stride. It was ranked No. 1 in North America and No. 2 in the world in an initial quality study by J.D. Power and Associates, an independent market research firm. That year, LeSabre was ranked No. 1 in North America and No. 2 among 154 domestic and imported models in the Power Initial Quality Survey. It was the first in a long list of Buick successes in various independent surveys and the advertising tagline promptly changed. "The Great American Road Belongs to Buick" was replaced by: "Buick. The New Symbol for Quality in America."

Defining Buick's future direction, Edward H. Mertz, who became general manager in 1986, said Buick would provide automobiles with qualities that made them famous – "premium American motorcars" that would be substantial, distinctive and powerful. Buick would emphasize its position of providing upscale cars with smooth power and distinctive styling along with rich detail and comfortable accommodation.

One good example was the 1991 Park Avenue Ultra, a curvaceous luxury model with the famous 3.8-liter V-6 engine now supercharged. By the end of the 1990s, Buick was the leading marketer of supercharged cars.

Mertz was succeeded by Robert E. Coletta, Buick general sales and service manager, who had served at GM for more than 41 years – all at Buick. Buick had always boasted of a strong dealer body, and Coletta had nurtured it carefully. As general manager, he also went to Shanghai, China, in December of 1998 to see the first Buick built in China roll off the assembly line. A GM/China joint venture had been created to build GM vehicles in China, and the Chinese had insisted on Buicks – in part because of Buick's long and illustrious reputation there.

As General Motors evolved as “one company,” Buick headquarters returned from Flint to Detroit in 1998, joining other GM car and truck divisions at Renaissance Center – only a few blocks from a building, still standing, that had housed Buick Auto-Vim and Power Co. at the turn of the previous century. By the end of the 20th century, more than 35 million Buicks had been built.

Moving into the new millennium under General Manager Roger W. Adams, Buick continues to build on its quality reputation. LeSabre, the best-selling full-size car in the U.S. market for more than a decade, and Century, another big seller, both led their segments in the 2002 J.D. Power and Associates' Initial Quality Study.

Buick also continues to explore new markets while retaining its strength with traditional customers. Examples include concept cars such as the 2001 Bengal roadster, named by *AutoWeek* as “best of the best” among concepts introduced at international auto shows that year. The sporty convertible's name was a link to Buick's key advertising spokesperson of the era – golf superstar Tiger Woods. Buick had been the first major corporate sponsor in professional golf starting with the 1958 Buick Open, and Woods has taken the Buick/golf relationship to a new peak.

Buick reached a new market with the highly successful 2002 Rendezvous, a crossover vehicle and the first Buick based on a truck in nearly 80 years, and announced it would offer an upscale sport utility vehicle for 2004 – Rainier – with an optional V-8 engine.

By its centennial year of 2003, the marque that Detroit plumbing inventor David Buick had begun and Flint carriage king Billy Durant had built into a giant had long been an American icon. Adams said new products would build on Buick's reputation for delivering upscale, high-value vehicles with distinctive and romantic designs, smooth power, overall reliability and a comfortable and secure ride. Or, as Buick today sums it up, "Premium American Style."

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