

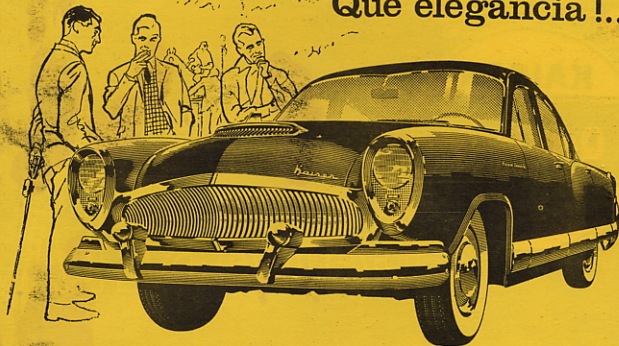


CARABELA

EL GRAN COCHE ARGENTINO



Qué elegancia !..

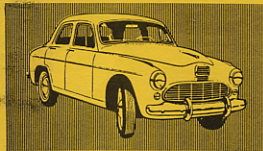


CARABELA

Por su señorial elegancia y sus sobrias líneas, el Kaiser CARABELA es un automóvil concebido para que usted se luzca en cualquier ambiente.

Además, por su gran amplitud y comodidad interior, por su inigualable suspensión y su alta velocidad de cruce, es insustituible para realizar sin el menor cansancio los más largos viajes. El soberbio CARABELA es el coche de jerarquía indiscutida, al nivel de sus posibilidades.

y además, la línea IKA le ofrece:



el potente

Bergantín



el ágil

RENAULT
Dauphine

SERVICE eficiente y repuestos legítimos DONDE ESTE O DONDE VAYA



THE KAISER - FRAZER QUARTERLY

VOLUME THREE NUMBER TWO

APRIL 1963

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NATIONAL....This is the standard membership of the Kaiser-Frazer Owners CLUB and it includes all Club Privledges including the monthly BULLETIN and the Quarterly at the cost of \$5.00 per year.

LIFETIME....Lifetime membership may be had at \$100 for as long as you live.

HONORARY....These are established by the officers to honor those individuals that have had an important bearing on the Kaiser Frazer automobiles. At present only two of these exist.

HENRY J KAISER 7120 Kalaniana'ole Highway, Honolulu 16 Hawaii
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ADVERTISING

BULLETIN Members....No Charge Non Members....\$1.00 per issue
QUARTERLY Commercial Advertising....\$10.00 per page per issue

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CLUB IDENTIFICATION PLATES MAY BE ORDERED FROM THE VICE PRESIDENT AT \$5.00

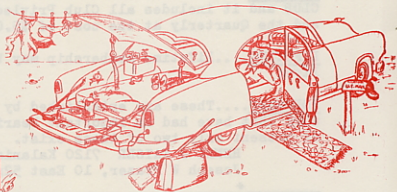


HE'S BEEN LIKE THIS DOCTOR, EVER
SINCE HE SOLD ONE OF HIS TEN KAISERS!

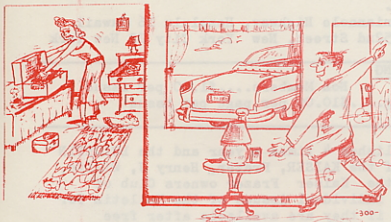


WHY CAN'T YOU COLLECT STAMPS LIKE
EVERYBODY ELSE!

Kaiser Kartoons



I LIVE, EAT, SLEEP, AND BREATHE KAISERS!



HONEYYOU'LL NEVER GUESS WHAT I FOUND!



BUT HONEYIT'S A 'GOLDEN DRAGON'!



En la planta de motores este obrero trabaja en la línea de maquinado de los cigüeñales, realizado el fresado para su colocación.



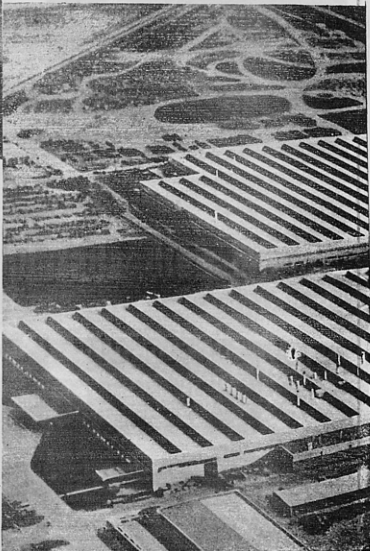
Este muchacho, que observa atentamente el funcionamiento de esta máquina, pudo ser, quizá, el protagonista de cualquiera de los diálogos que esta nota relata...

por SILVANO FUNES GUESALAGA

NADA turbaba la paz arcádica del paisaje de Santa Isabel, ese suburbio de Córdoba de nombre besto apenas a siete kilómetros del centro bullicioso de la ciudad de las Iglesias de piedra y de la universidad varias veces centenaria. Al frente, un camino de asfalto que lleva a Alta Gracia; al fondo, "un almohadón de sierras para soñar con Dios..."

Pero una mañana del 12 de marzo de 1965, un repente de rumores desconocidos provocó un alboroto de pájaros y sorprendió el pacer moroso de alguna vaca suelta. Es que llegaban hombres nuevos que hablaban una lengua extraña.

Emplazaron teodolitos de mirar lejano y erudito, tendieron cables, trazaron caminos, abrieron zanjas como ríos y fosas como para sepultar una catedral.



**Un vehículo argentino cada diez minutos:
ahorro de divisas por 50 millones de dólares**



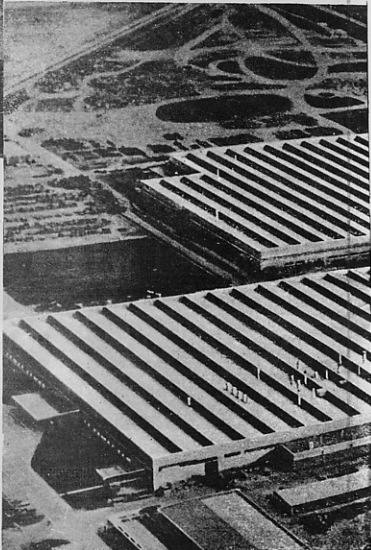
In the engine plant this man works on the Crankshaft Machining line... he is milling a part ready for fitting.



This youngster, closely watching machine at work, could be one of this story's heroes.

Nothing disturbed the Arcadian peace of the Santa Isabel countryside, that Córdoba suburb with a saintly name a scant 4 miles from the bustling center of the city of stone churches and a centuries-old university. In the foreground an asphalt road leading to Alta Gracia, in the background "a cushion of mountain ridges that makes one dream of God..."

But one morning, March 12, 1953, a sudden clatter of mysterious sounds brought about a flurry of birds and surprised the quiet grazing of some stray cow. New men, speaking a strange language had arrived. They set up theodolites endowed with a far-seeing and wise eye. They strung cables, opened ditches as wide as rivers and dug out pits large enough to bury cathedrals in.



One Argentine car every ten minutes
50 million dollars saving in foreign exchange

At first there were only a few of them, then several hundreds, and finally thousands. But these last were not the same kind of men; now the language spoken was familiar to the pasturelands, to the birds and to the neighboring mountains.

The activity and bustle continued at a feverish rate. Powerful lamps banished the night, for this busy swarm never gave itself a moment's rest in what seemed an effort to erect a city in the time it takes to build a house.

The excavation which would contain the concrete base necessary for absorbing the impact of one the 2,000-ton presses was 60 feet deep. Once installed, the machine would be like a tree whose roots are larger than its treetop.

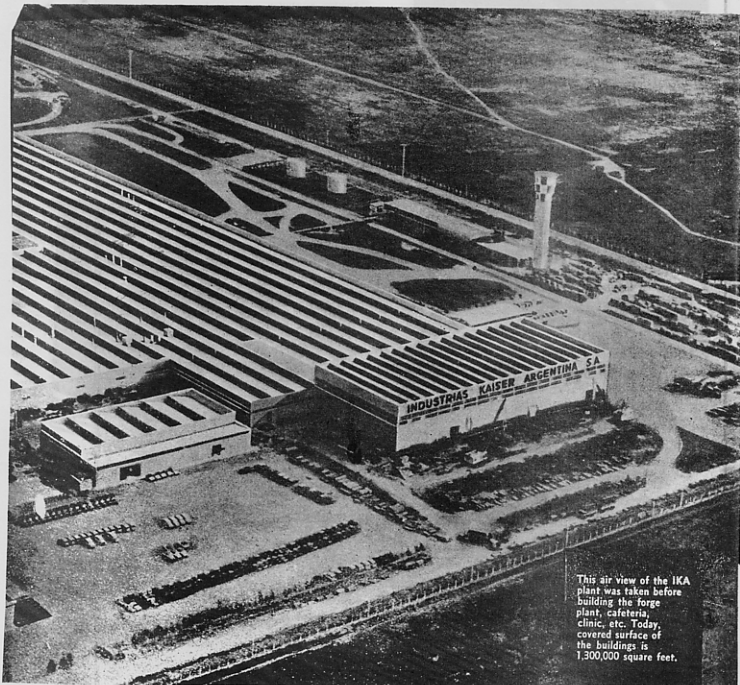
Like a modern mechanical Anthenium that must dig into the very heart of the Earth in search of strength to overcome and vanquish the steel with a single, forgoing brutal, accurate and final blow.

Meanwhile, 880,000 square feet of buildings were going up. Twenty acres of roof to house the greatest industrial plant of its kind in South America!

A 130,000 gallon water tank perched like an immense nest at the top of a steel and concrete tree.

While construction of the several buildings proceeded apace the giant machines were being installed. They came all the way from the United States.

They arrived in the port of Buenos Aires in 300 ship-



This air view of the IKA plant was taken before building the forge plant, cafeteria, clinic, etc. Today, covered surface of the buildings is 1,300,000 square feet.



Final details are inspected by C. Sánchez and J. Marechins. Operators are: O. Basile, P. Covacevich, P. García, C. Henin, F. Aguano, J. Calascibetta, H. B. Díaz, L. A. Blacizza and B. Lorente.

*Without losing any of
its spiritual values,
the learned and
Catholic city of Cordoba
is destined to become
Argentina's Detroit.*

The forge plant will be one of the most modern structures of its kind. Precast concrete columns are bolted together.

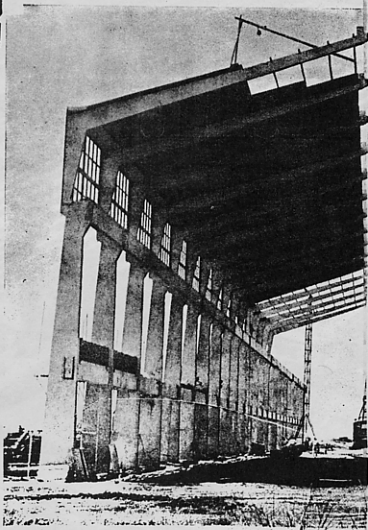
The first Argentine Jeep is born

Nobody in Córdoba could long remain indifferent to something that began by arousing natural curiosity, turned later into admiration and finally left everyone spellbound.

The installation of Industrias Kaiser Argentina S. A., was for the country in general, and most particularly for Córdoba, a harbinger of hope and promise. The first part of this miracle of effort and technical know-how was achieved when the resplendent plant produced its first unit. The first link in an endless chain. It happened on April 27, 1966, an anniversary of great significance to cordobeses. On that same day, in 1852 after the tyrant Rosas had been overthrown at the battle of Caseros, the civil population and militia of Córdoba rose up in arms against the "rosist" governor, general Manuel López. The leaders of the revolution were colonels Manuel Esteban Pizarro and Norberto de Zavalla, and after the victory, Dr. Alejo Carmen Guzmán was appointed governor.

Another revolution was now being won: the taming of energy and the placing of machines at the service of man for his own progress and welfare. And another battle raged; fought by the sons of the sons of those soldiers of a hundred years ago. A battle of smiling soldiers, whose uniform is a blue overall.

It was as if the tutelary shadows of the dearly beloved sons of the city where the old Indian language of "Suquia" was spoken were now cast over the new generations imparting



to them the knowledge that the pacific crafts of fire and steel were acquiring a new significance.

Production was diversified. In september 1956 other models of Jeeps appeared; in May 1957 the popular "Estanciera" station wagons and, finally, in July 1958, the elegant "Kaiser Carabela".

The plant today

At present the buildings comprise a covered surface of 1,300,000 square feet. A forging plant is being completed which will be the most modern in the world, with a production capacity of 10,000 tons per annum, of which IKA will use 6,000 and offer the balance of 4,000 tons for the requirements of other Argentine industries.

Industrias Kaiser Argentina S. A. has a total staff of over 5,500 persons, but it is estimated that those employees in the 600 factories, 500 workshops, and additional suppliers who receive manufacturing or purchasing orders from IKA, raise the number of workmen indirectly connected with this huge enterprise to approximately 40,000.

The aggregate amount of IKA's purchase orders—according to an estimate for 1959—distributed among its 1,100 Argentine vendors, will reach four billion Argentine pesos, while purchases abroad will, according to the same estimate, amount to 875 millions.

The rhythm of production shows a constant and accelerated rate of increase; this year the Company hopes to build more than 40,000 units. This output is equivalent to one unit every 10 minutes, 24 hours a day, during 365 days.

The Company is far advanced in its work on a large-scale project for the immediate future: that of building an economic zone based on the designs and features of the

Alfa Romeo 1900. Unless unforeseen difficulties are encountered, it is predicted that the new car will be offered for sale in August or September of this year.

IKA: an Argentine enterprise

Industrias Kaiser Argentina can in truth be considered as a national enterprise. Argentine capital predominates in its financing, and the contribution of foreign capital is physically and actually rooted in this country. The Company's total staff of workmen, administrative employees and technicians is at present, barring a few exceptions, Argentine. During the formative period of the Company there were 101 foreign employees; now, out of practically 5,500, only 40 are not Argentine.

IKA also employs all the raw materials that Argentine industry can offer, and places purchase orders in all the Argentine factories and workshops that are in a position to supply the factory.

As regards raw materials, Argentine production, particularly of steels, plate, etc., is still very inadequate. Quite the contrary occurs with labor and machining, which represent the greater part of the total unit cost, since the great majority of the processes are carried out within the country.

It has thus been possible to gradually increase the proportion of "nationalization" of the different models, and in some cases 90% has already been surpassed. The Company aspires and is bent on reaching its goal of one hundred per cent national content in all its products. That is precisely one of the reasons, for instance, for building the forge plant. It is estimated that by the time the San Nicolás (government) steel plant begins full production and when present volume of the Zapla blast furnaces is increased threefold, it will be possible to reach the hoped-for goal of total national content. At present, the average national content of the different IKA-made models is 75%, which, based on 1959 production, means a saving in foreign exchange of 50 million dollars.

It is interesting to point out that in 1953 the Company placed orders among 946 vendors distributed as follows: Federal Capital, 607; Greater Buenos Aires, 213; Province of Córdoba, 97; and the balance in Mendoza, Santa Fe and Santiago del Estero.

Composition of the Company's capital

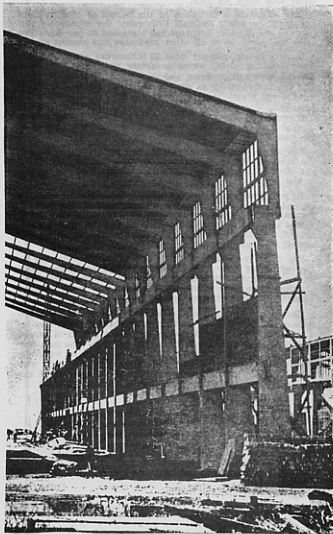
The greater volume of shares is in the hands of Argentine private capital distributed among many thousands of stockholders.

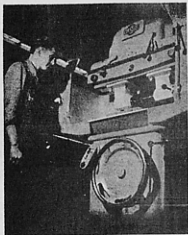
The first stock offering of ASP 164,935,000 was oversubscribed in a matter of hours, a case without precedent in the country's economic history. It was therefore necessary to prorate the available shares among the 3,000 investors. A second issue of ASP 56,178,000 was bought up completely by 600 new stockholders living in 50 rural towns of the Interior of Córdoba province.

The other investors in order of importance are Kaiser Industries Corporation and DINFIA, a corporation belonging partly to the Argentine government and partly to private capital, superseding the old I.A.M.E., which had originally carried out the negotiations of launching the present company, together with Kaiser Industries.

Thus, the total amount of private investment is ASP 220,000,000 which represents 46 per cent of the capital structure of the Company. Kaiser Industries contributed with the machinery brought from the United States, the value of which was appraised at ASP 168,000,000, 35% of the total capital. It is to be noted, however, that this amount is derived from conversion at the official rate of exchange of 18 pesos to the dollar, so that Kaiser's investment is actually much higher although it holds only 35% of the total capital.

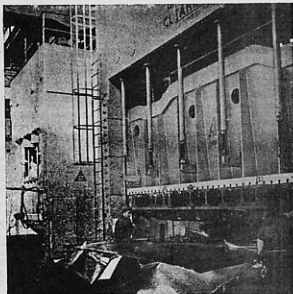
Finally, DINFIA contributed with other physical assets and contracts amounting to ASP 92,000,000, which represents 19% of the corporate capital.





Workman operating a pneumatic machine that positions engine blocks ready for milling by an Ingersoll Special.

A 2000-ton press is seen cutting frame side rails. The huge machine is embedded in a 60-foot pit.



Filling a national need

It does not take much acumen to understand and fully appreciate the significance that an industry of this type and magnitude has for all the country, and more especially in the areas close to the plant site. It is sufficient to remember that in the short space of three years since the first Argentine Jeep was born, the Company has placed 40,300 units of different types and models in circulation... These units represent a total expenditure of five billion pesos, of which 75% has remained in the country, while only 25% for raw materials, technical advice and labor went to foreign sources.

It is also worth while remembering that in 1930 there were 435,000 motor vehicles in a country of 12,000,000 inhabitants, which is equivalent to one car for every 27 persons. In 1935 there were 440,000 vehicles but population had increased to 19,000,000, so that the average was one car for every 43.5 inhabitants.

This means that in order to get back to the 1930 average a shortage of over one million motor vehicles must be made up, to say nothing of the fact that there are 300,000 with more than 20 years' use still in circulation.

IKA in Cordobese life

How has the installation of Industrias Kaiser Argentina S. A. affected the life of Córdoba and the surrounding district?

In the first place by something that is impendable: it gave new encouragement to the hopes of the people. It opened up unknown possibilities in a provincial society, awakened aspirations, shook up sluggishness and offered opportunities.

It is significant that the Company keeps on record more than thirty-five thousand applications for employment. In Córdoba it is considered a real privilege to be counted among those who work for IKA.

This influence is felt even in the School of Modern Languages of Córdoba's National University; the number of students of the English language has increased 65 per cent. The same has occurred in all other institutes and academies.

In Alta Gracia, a town some 20 kilometers away from the manufacturing plant, where a certain number of IKA employees have settled down, the municipality's monthly revenue has increased by as much as 5,000,000 pesos. A splendid new movie house, as good as any in the country, has just been built. Three years ago there was only one store retailing household appliances; today there are fourteen such stores. Similar changes have taken place in every other aspect of the community.

The above gives a good idea of what an enormous impact the erection of the Company's plant has had on the life of the city and in those towns on its outskirts that are nearest to the plant.

To go through the whole plant with some thoroughness, in an endeavor to satisfy at least a small part of the visitor's natural curiosity, involves an entire day of awe-inspiring sights amidst the feverish activity of this dazzling, almost magical world. A mere attempt to describe it would far exceed the space devoted to this note.

But there is something that is particularly gratifying to the writer of this article. It is the fact of having seen thousands of men hailing from his own province operating machinery the very existence of which was not conceived possible a few short years ago.

Thousands of young men—the average age of IKA workers does not exceed thirty—tending those giants of steel that by a whim of chance one day emigrated from a land of untold riches to place themselves in the care of men who in a few months learned to handle them with the skill of veterans. And they were the selfsame youngsters from the hills who formerly had very little opportunity of getting out of the rut to which their environment had condemned them.

Among them all there are some who deserve our particular attention, not only because of their skill and youth, but because they have the unmistakable bearing of the Argentine hillman. "I, who am from the mountains, know full well the kinship of soul and rock...", as Lugones said.

It is impossible to resist the temptation for a chat:

"Do you like what you are doing, my friend?", we ask a youngster who is operating a cyniner boring machine.

"Yes, sir; besides they pay me well to do it: I earn 5,800 pesos a month, but with overtime I sometimes make 7,000..."

"What did you do before coming here and how much did you earn, if you don't mind my asking?"

After a rather long silence and with a charming smile he answers:

"I was a 'yuyero' (a person who collects and sells medicinal herbs) yonder in Tumbaba. I worked with my father and with a brother who is now with IKA... and between the three of us we made nothing or practically nothing. Now I live with my brother, who already has a wife, until I finish building my small house in the Cottolengo of Don Orión district. Then, I also will get married to the same girl I've always had back in my home town."

And so we leave the one-time "yuyero" with his Barnes Boring Machine.

We are now tempted to learn something of the life of another workman, probably an ex-yuyero, too. This time it is a grave looking youngster, nearly a boy, with eyebrows that meet. We are surprised to learn that he is, or rather has just turned 23; he also works on the production line, so he earns as much as the former. He explains that he hopes to become a specialized worker, and then with overtime...

We ask him what he did for a living before starting work as a trimmer of the Kaiser Carabela.

"At first I was a goatherd at Mina Clavero; later I worked in a workshop in Dolores, until one day I read in the papers that IKA needed people in Córdoba. I was lucky, was admitted and here I am..."

A modern "Veni, vidi, vici" version of this young and gentle genius of the hill! A hundred such instances could be given, all of them equally revealing and touching.

As we leave the plant we discover another, most enlightening fact: there are already many skilled workers and monthly employees who make the daily trip to the plant in their own vehicles acquired from IKA, and over 700 commute to work in motor-scooters or motorcycles.

In proportion to the number of inhabitants, Córdoba uses more motorscooters than any other city in the world, with the sole exception of Rome.

Taxicabs on trial

The Company has recently built fifteen vehicles designed for use as taxicabs and has handed them over to the Córdoba Taxi Drivers Association on a free loan and restitution contract so that they may be operated for the exclusive benefit of the Association. The sole requirements are that these cars be submitted to continuous tests under the most severe working conditions, and that the Company is kept informed as to how the cars respond.

It is IKA's intention to place nine to ten thousand units on the market during the current year.

The Little Cottolengo of Don Orión

A few hundred meters from IKA's plant there is a small building overshadowed by a cross embedded atop the steeple of a tiny chapel. It is the Little Cottolengo of Don Orión (Don Orión's House) where 44 crippled children receive food and shelter. A priest and a lay brother of that religious order liberally bestow their solicitous care on these poor children, the helpless victims of an incurable disease.

"Who supports this, Father John?"

The priest points his finger heavenward, and though the question is already answered, adds:

"He, Who is above... and then the Kaiser Company."

Father John is a Hungarian and speaks a good, sometimes picturesque Spanish—always fluid, expressive and fervent. He overflows with vigor and energy in spite of being practically an old man, and has a magnetic personality that is most attractive.

He tells us that his Little Cottolengo existed when the preliminary work was started for the installation of Industrias Kaiser Argentina, and that since then the Company has acted as a second Providence for his small asylum.

"They began by building the access road, the portico at the main entrance, the sickroom, then the bathrooms..."

"I never had to ask for anything, especially after Mr Flood's arrival. One visit of that friend of mine was sufficient for him to realize what the children needed and he gave it to them with the spontaneity of those who are truly generous."

Mr K. J. Flood was the General Works Manager whose recent death has left a void in the hearts of all who worked with him. He deserves the homage of this remembrance.

Father John goes on to tell of the many benefits that his Little Cottolengo has received from K. J. Flood and IKA while he shows the way to some ditches that have recently



Father John tells the author how Industrias Kaiser Argentina S. A. has helped his parish.

been opened for the pipelines and cables that will shortly bring water, steam and electricity to the home-all gifts from his great departed friend.

We want to hear Father John's opinion on the social and moral influence that the installation of IKA's plant has had on his parishioners.

He answers with characteristic eloquence: "Immense and extraordinarily good. It is not merely that well-paid and steady jobs are now available, but they (IKA) have set an example that things can be done both well and quickly. An amazing number of marriages have taken place in the district and many couples have straightened out equivocal situations, since IKA's wages assure good incomes to the workmen of the zone. The birth rate has also increased. Children are now healthy and well-fed, protected and cared for by the medical attention that is given to the families of Company personnel."

We say farewell to Father John and come away feeling wonderfully refreshed and uplifted after our experience.

We shall long remember the emotions of this day, spent amidst the clamor of a large industrial plant in operation, which not only manufactures vehicles for sale but also fosters progress, culture and wellbeing.



Ningún
automóvil
le ofrece tanto
RENDIMIENTO
por su dinero !..

Si Ud. es estanciero, industrial, hombre de negocios, profesional, idemita... en suma, un hombre de acción, entonces ¡piense en el CARABELA!

Es el automóvil que por su potencia, pique, velocidad, amplitud y resistencia, le ofrece el máximo rendimiento. Cada minuto de su activa vida, tiene para Ud. máxima importancia. Por eso le ofrecemos un vehículo que, como el CARABELA, le llevará a destino con rapidez y seguridad, por donde sea y en todo momento.

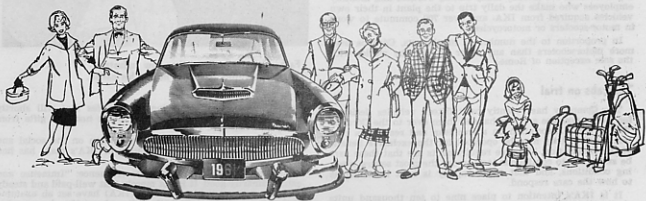
CONSULTE AL CONCESIONARIO I. K. A. DE SU ZONA, ADQUIERALO CON LAS FACILIDADES DEL PLAN I. K. A. DE PERMANENTE S. A. C. y F.
SERVICE y repuestos legítimos... donde esté o donde vaya!

Cuando maneje su

CARABELA

Ud. estará viajando
en el más importante automóvil argentino.

PARA NECESIDADES DE TRABAJO REQUIEREN UN VEHICULO FUERTE Y RIGIDO. APTO PARA TODA TIERRA. ¡HA LE OFRECIE LA LINEA MAS COMPLETA DE VEHICULOS UTILITARIOS



Ningún
automóvil
le ofrece tanta
AMPLITUD
por su dinero !..

Amplitud exterior, amplitud interior, amplitud en el baúl de equipajes, amplitud de ventilación interior. Cuando Ud. lo admira y lo prueba, exclamará asombrado: "¡Qué grande es el CARABELA!"

Si por fuera es grande, por dentro lo es más aún: caben una persona mayor o una persona menor. En el baúl de equipajes caben todas las valijas. Y en cuanto a cualquier medida que le sea más grande que puede imaginarse!

CONSULTE AL CONCESIONARIO I. K. A. DE SU ZONA, ADQUIERALO CON LAS FACILIDADES DEL PLAN I. K. A. DE PERMANENTE S. A. C. y F.
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La experiencia
de **100.000** vehículos **IKA**
en los motores **1961**



Todos los motores de la línea IKA han sido perfeccionados para obtener de los nuevos modelos 1961 *más potencia, más suavidad y más economía.* Entre las mejoras introducidas, se destacan algunas de primordial importancia:

- Mayor índice de compresión.
- Cigüeñal con maquinado especial.
- Sistema de lubricación perfeccionado, para obtener la máxima eficiencia.
- Carburador de una sola boca que ofrece más economía, más sencillez y servicio más fácil.
- Nuevo filtro de aire.

No olvide que hay una red de más de 260 Concesionarios IKA en todo el país, al servicio de su ciudad durante las 24 horas del día! En cada uno de ellos hallará usted atención mecánica a cargo de técnicos expertos que cuentan con un surtido de herramientas especiales y una extensa línea de repuestos legítimos.

Consulte a su Concesionario acerca de los interesantes planes de **PERMANENTE S. A.** para la financiación de su nuevo vehículo IKA.

Vea a su Concesionario **IKA!**



Plant of Nederlandsche Kaiser-Frazer Fabrieken N.Y. Rotterdam.

Hickman Price, Jr., Executive Vice President Kaiser-Frazer Export Corp.



The Rotterdam Story

The first in a series of progress reports describing Kaiser-Frazer operations in the export market

In 1948, the Kaiser-Frazer Export Corporation was confronted with a declining export business due to dollar shortages and the general disruption of world trade following World War II. Accordingly a program was immediately initiated, designed to make Kaiser-Frazer cars available to many of its foreign distributors and the public in local currencies. This program was solidly based on the Kaiser-Frazer policy of giving local capital and management an important role in Kaiser-Frazer overseas companies. This program has met with considerable success. In 1951, compared to other automobile companies, Kaiser-Frazer achieved No. 1 position in the industry in



Mr. J. J. M. van der Hagen, Managing Director of the Rotterdam plant.



Mr. Elias Khawam, Kaiser-Frazer distributor from Lagos, Nigeria, B. W. A., visiting at Kaiser-Frazer Rotterdam plant.



Inside the Rotterdam plant, one of the best equipped in the world.



the relation of exports of passenger cars to total production.

The first overseas plant created by Kaiser-Frazer, the Nederlandsche Kaiser-Frazer Fabriek N.V., organized in Rotterdam, The Netherlands, went into production in February, 1949.

Since then, under the guidance of its Manager Director, Mr. J. J. M. van der Hagen, and its Board of Directors, which includes some of the most prominent names in finance and industry in The Netherlands, the company has enjoyed an almost unprecedented success.

Some of the countries to which Nederlandsche Kaiser-

Frazer has sold cars are: Algeria, Belgium, Brazil, British West Africa, Burma, Finland, France, French West Africa, Germany, Luxembourg, Madagascar, Morocco, Nigeria, Portugal, Sweden, Switzerland, Trinidad, Tunisia. Nederlandsche Kaiser-Frazer offers unusual opportunities of importation to Kaiser-Frazer distributors in many parts of the world under Dutch Trade Agreements by compensation transactions and by other post-war trading arrangements.

Everyone has gained by the creation of the company at Rotterdam. It has prospered financially and has paid regular dividends almost from its inception. Kaiser-Frazer Export Corporation at Willow Run has sold a substantially larger number of cars than otherwise would have been possible. Kaiser-Frazer distributors overseas have profited from cars they otherwise would have been unable to obtain. The Dutch Government has benefited from the standpoint of foreign exchange, from Dutch shipping and insurance and from the use of considerable Dutch material content (which Kaiser-Frazer strongly encourages). One may properly say that Nederlandsche Kaiser-Frazer exemplifies the best type of post-war industry overseas.

Kaiser-Frazer Export Corporation congratulates its Dutch partner on an outstanding achievement accomplished in a remarkably short time.



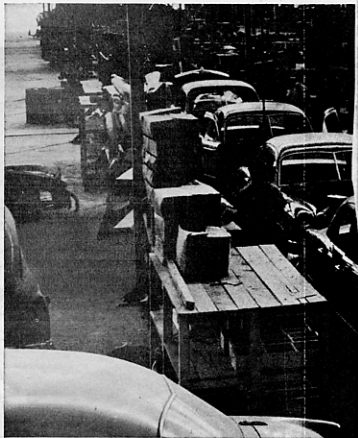
Prize-winning Dutch built Kaiser, Rotterdam also produces Henry J's, rapidly gaining world-wide favor.

The second in a series of progress reports describing Kaiser-Frazer operations in the export market.

Interior view of the modern, new Kaiser-Frazer plant at Haifa, Israel.



Hickman Price, Jr., Executive Vice President, Kaiser-Frazer Export Corp.



The Haifa Story

*Steady glows the flame—
bright is the future*

Following the successful initiation of its overseas assembly operation with the establishment of the Rotterdam plant in 1948, Kaiser-Frazer next moved to Israel. Here, in partnership with an outstanding Israeli group, it built a plant of even greater proportions than that at Rotterdam. Ground was broken for the plant of some 150-thousand square feet in September 1950, and the first car was completed in May 1951.

In our year of association with the tiny, steadfast state of Israel, we have seen, through our collaboration with the 400 men and women who are Kaiser-Frazer of Israel,



Ephraim Ilin, Chairman of the Board, Kaiser-Frazer of Israel.



A portion of the Kaiser-Frazer plant at Haifa, covering some 150,000 square feet. Ground for this plant was broken in September, 1950, and the first finished car rolled off the production line in May, 1951.



the re-awakening of the pioneer spirit, so close to extinction in our modern world.

We have seen the courage of men made over... stiff fingers turned dexterous through sheer determination. We have seen clerks become mechanics, lawyers become engineers. And we have seen our cars roll off the line, tight and bright and beautiful, because of men like these.

Ephraim Ilin, his partners Abraham Friedmann and Nathan Abramovitz and their associates are responsible in large part for placing Kaiser-Frazer in the No. 1 sales position among American automobile makes in such

major European countries as France, Finland and Norway.

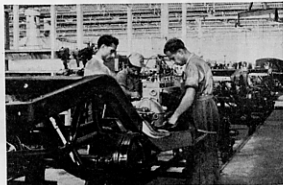
Kaiser-Frazer distributors in several other parts of the world have been able to purchase in their own local currency, without the use of dollars, a steadily increasing volume of cars from the plant at Haifa.

When we first made our investment in Israel skeptics said Jews couldn't build cars. We of Kaiser-Frazer know of no workmanship better than that of the Israeli workers in Haifa. We are proud that the Haifa-assembled cars bear the names of Kaiser and Henry J.

We are also proud to be playing a strategic role in the development of the Israeli economy. Kaiser-Frazer of Israel is by far the largest exporter of manufactured products in the country and, by the same token, is the largest industrial earner of foreign exchange for the State.

Mr. Ilin and his associates, in exchange for Haifa-manufactured cars, have succeeded in importing into Israel many essentials sorely needed to keep pace with the unprecedented influx of population, needed to help in the overnight conversion of a pastoral country into a center of modern civilization.

Our experience in Israel is one more proof that where the steady flame of the undaunted glows, bright is the future. In this same spirit were erected the Kaiser-Frazer plants in Rotterdam, Mexico City, and Tokyo. And there will be more—in democratic countries around the world.



Untrained fingers quickly grow skillful; former clerks, teachers, lawyers have become expert mechanics on the production line.

The third in a series of progress reports describing Kaiser-Frazer operations in the export market.



Hickman Price, Jr., Executive Vice President, Kaiser-Frazer Export Corp.



Charles A. Watson, Dir., Latin American Div., Kaiser-Frazer Export Corp.



The sleek, elegant styling of the Kaiser is internationally famous. Above is a Kaiser framed in the giant Arch of the Revolution.

The Mexico Story

With Kaiser-Frazer plants built and operating efficiently in Rotterdam, The Netherlands, and Haifa, Israel, Kaiser-Frazer next established an assembly plant in Mexico, through Distribuidora Kaiser-Frazer de Mexico, S. A.

While the Mexico City plant is not as large as Kaiser-Frazer plants in other parts of the world, it is well laid out, is able to satisfy the Mexican market requirements, and its quality of production is second to none in the world.

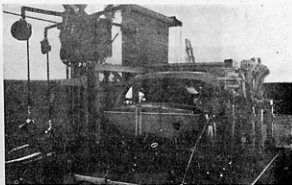
Actually, there is nothing unique in assembly south of the Rio Grande; all American automobile manufacturers have assembly facilities there. What is unusual about Dis-



Salvador Mariscal Flores, Gen. Man., Distr. Kaiser-Frazer de Mexico, S.A.



Julio Mariscal, Jr., Sales Manager, Distr. Kaiser-Frazer de Mexico, S.A.



The quality of production in the Kaiser-Frazer assembly plant at Mexico City is second to none anywhere in the world.



Kaisers and Henry J's are assembled and built by Mexican labor in an auto plant located in Mexico City.

tribuidora Kaiser-Frazer de Mexico (known commonly in Mexico as "DKF") is the remarkable reception given to both the Kaiser and the Henry J, even though both were established late in the Mexican market.

Much of the credit for this must be given to the able aggressive management of the company, both in production and in sales. Kaiser-Frazer counts itself fortunate to have as its associates such executives as Salvador Mariscal Flores, Julio Mariscal, Jr., and Ernesto Serrano, men with years of practical automobile experience.

These gentlemen in a relatively short time — the first

car to be assembled at the plant of "DKF" came off the line October 30, 1951 — have done an unbelievably fine job in perfecting quality of production, in selling Kaisers and Henry J's in Mexico City and the Federal District at retail; and in distributing them throughout the rest of the Republic.

With boundless energy and expert salesmanship, they have forged ahead in the competitive Mexican new car market to make their distributorship one of the busiest places in Mexico City. As part of its merchandising program, the Distribuidora has a Kaiser permanently displayed in the lobby of the exclusive Chapultepec theatre. Kaiser banners and posters fly above great bull rings and Jai-alai courts. One of their most spectacular promotions, a stock car race, attracted national publicity and drew 10,000 spectators to the event.

Perhaps we may take some small measure of credit for this quick success in that the smart, continental lines of the Kaiser have been particularly appealing to the Mexican taste, the sturdiness and economy of the Henry J particularly well suited to Mexican needs.

We take particular pleasure in congratulating our friends of "DKF" on the splendid success they have made. Together with them, we look forward to seeing over the years an increasing number of Kaisers and Henry J's on the highways and byways of our southern neighbor.



The spacious, modern showroom of K-F Distribuidora in Mexico City, on the beautiful, traffic-crowded Paseo de la Reforma.



East Japan K-F Ltd. Brings Low Cost Transportation to Orient with Steadily Rising Output of Henry J's at Kawasaki City

Japanese Build 1st Car in 11 Years



YASUO HORI, ASSISTANT GENERAL MANAGER of the East Japan K-F assembly plant, presides at the "First Car" ceremony at the end of the assembly line. Standing behind him is the 11-year-old daughter of General Manager Fumihiko Kono. She stepped the willow

with a pair of scissors trimmed to match the Mariner gray and red colors of the first car produced in Japan since Paul Harter, at extreme left, and Marshall Cooley and Richard McGrath, Willow Run technicians who helped set up the Kaiser-Frazer assembly plant.

Kawasaki City, Japan—On Saturday, June 9, the 32 employes of the East Japan Kaiser-Frazer Ltd. assembly plant completed an historic day of work.

They repaired to their lockers, removed their work clothes and dressed in their holiday finery. It was a day of celebration.

They cheered as the pert 12-year-old daughter of Fumihiko Kono, general manager, neatly snipped a ribbon and a shiny new car rolled off the assembly line. A champagne party completed the occasion.

Mariner Gray
Across the world at Willow Run, Michigan, there was cause for celebration too, for the car was a Mariner gray Henry J, which became distinguished as the first auto to be built in the Orient in 11 years.

By the end of 1951, the K-F plant which is producing Henry J's actively, is scheduled to build six a day.

The cars are earmarked for export to Asia and South America. Completion of the Japanese peace treaty will permit the sale of Henry J's in the Japanese.

For this new market expected to develop later this year, East Japan Henry Industries, Ltd., parent company of the K-F assembly plant, is constructing a magnificent sales showroom in Tokyo.

Household Word
The promotion-minded Japanese businessmen are not permitting any grass to grow under their feet.

The name of Kaiser is already a household word, according to Marshall Cooley and Richard McGrath, of the K-F production engineering department, who spent two months in Kawasaki City supervising installation of equipment at the assembly plant.

"All the kids knew about the Kaiser company before we had built the first car," Cooley said.

"We couldn't drive down the streets without having the children chattering after us, crying, 'Kaiser, Kaiser, Kaiser'."

The two K-F engineers were overwhelmed by Japanese manufacturing technology. They reported that the Japanese are highly skilled and versatile employees.

"They have a rare personal pride in their work," Cooley remarked, "and considered it an honor to have been 'chosen' to be employed at K-F. That's one of the reasons they all dressed up for the 'first car' ceremony."

Met To Be 'Ichi Ban'
When they work, everything has to be "Ichi Ban," the Willow Run technicians reported. "Ichi Ban" is Japanese for "the best."

Cooley, who speaks Japanese fluently as the result of having served in the Orient with the Allied Translation and Interpreting Service, set up the materials handling, paint and final assembly lines in the 50,000 square foot plant.

McGrath, who found that most of the foremen and supervisors knew enough conversational English to talk with him, had little trouble in setting up the chassis, trim and body-in-white lines.

The plant is the fifth established by K-F in the countries of the United States. Other K-F foreign plants are in the cities of Canada, Mexico City, Mexico, and Rotterdam, The Netherlands.

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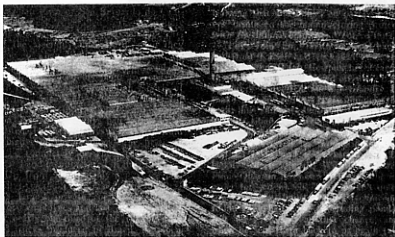
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ABOVE IS AN ARCHITECT'S DRAWING of the attractive sales and service structure now under construction in Tokyo by East Japan Henry Industries Ltd., parent company of East Japan K-F Ltd. All recent production of the K-F assembly plant is earmarked for export

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WILLYS PLANT IN BRAZIL
Even the nuts are Brazilian.

BRAZIL

The Willys Way

At a bustling 32-acre plant outside the Brazilian town of São Bernardo do Campo last week, coveralled workmen proudly rolled a pair of shiny new compact cars off the assembly line. Hardly had they done so when William Max Pearce, 49, general manager of Willys-Overland do Brasil, announced his plans to send the two cars—the first production models of the new Aero-Willys 2600—to Paris for next month's international auto exposition. Pearce and Willys had reason to be excited. The Aero-Willys is Brazilian from taillights to engine block—the first car to be completely designed, toolled, engineered and manufactured in Brazil.

Up from Jeeps. Only ten years old, Willys-Overland do Brasil is already Brazil's largest private corporation, boasts 10,000 employees and last year accounted for nearly one-third of the 144,000 cars and trucks produced in Brazil. But in a country racked by nationalistic growing pains, it has an asset far more important than size. Most U.S.-backed companies in Brazil are wholly-owned subsidiaries, and their top executive ranks are closed to Brazilians. Willys is only 49% owned by the U.S.'s Kaiser Corp. The remaining 51% of its stock is held by 48,000 Brazilians and Managing Director Pearce answers to an operating committee of five Brazilians and four Americans. Result is that while other U.S. subsidiaries are plagued by expropriation threats and nagged by gringo-baiters, Willys booms unmolested. Last year its profits were \$6,900,000 on sales of \$104,800,000. "The government," says an envious Yankee competitor, "wouldn't dare attack Willys. It would have 48,000 angry people to answer to."

Willys' strength is due partly to the foresight of U.S. industrialist Edgar Kaiser, who in 1954 took the then-daring decision to enter Brazil's auto market on a partnership basis and personally guaranteed a \$42 million Bank of America loan that provided Willys do Brasil's working capital. But it is due as well to enthusiastic Brazilians who decided that they could switch successfully from assembling imported Jeep parts to actual

manufacturing of cars. The odds were long. One visiting U.S. auto executive, after studying the shed where Jeeps were being assembled at a six-a-day clip and learning that Brazil had no parts suppliers, dismissed the manufacturing project with the blunt comment: "You're nuts."

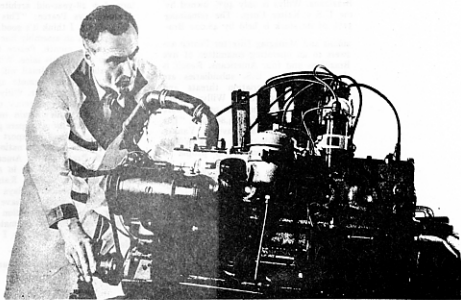
"Let's Join 'Em." With financial backing from Kaiser and technical guidance from ex-Union Pacific Cowpuncher Pearce, the Brazil nuts went ahead anyway. U.S. engineers converted an old foundry to make Willys' castings, began building the sprawling, efficient plant at São Bernardo. The Brazilians set about lining up parts suppliers. A manufacturer of hypodermic needles converted his production to gas and oil lines, and a blacksmith bid to supply wheels. Recalls Willys Treasurer Paulo Quartim Barbosa: "We gave him an order for 500 wheels. They weren't quite square—but almost. Our technicians found they had eight protruding points. But we gave him another chance, and when he sent them back to us again two months later, they were as good as the wheels we had been importing." Two years ago, when Willys decided to produce the all-Brazilian 2600, it still had no designers. To do the job, the company tapped a 28-year-old architect, Roberto Araujo. Says Pearce: "This is his first major effort. I think it's good."

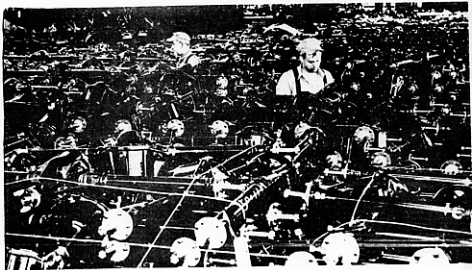
Now, with an assembly line turning out 6,000 cars a month, Pearce bustles with plans to step up his sales. Willys' present 285 dealerships in Brazil will be doubled within two years; remote agencies will receive new cars by air. Willys also plans to establish 500 emergency repair shops around the country, train mechanics to man them, and provide spare parts. Eventually Pearce hopes to export from Brazil to other Latin American nations. In time, Willys do Brasil and its American cousin may even meet head on in a battle for export markets. Edgar Kaiser already foresees the possibility. Says he: "When that comes up, we'll just have to be competitive. We face competition when these countries industrialize, no matter whether we help them or not. So I say, 'Let's join 'em.'"



KAISER

Nearly 5,000,000 automobiles and trucks have rolled off the assembly lines of Kaiser-Willys and its predecessor firms since the first Overland in 1903. Engines in both Kaiser and Willys cars are noted for engineering, economical operation.





In Kaiser-Willys, 40 years of varied engineering, manufacturing and building experience combine with 50 years of specialized automotive background to create a vigorously aggressive new competitor in the U. S. automobile industry.

-WILLYS

A new and potent force has emerged from the ranks of the automotive industry's independents. It's Kaiser-Willys, the vigorous sales and distribution division of Willys Motors, Inc., and its parent company, Kaiser Motors Corporation.

Kaiser and Willys joined forces when Kaiser-Frazer (now Kaiser Motors) purchased the assets of Willys-Overland Motors for \$62,000,000 — one of the largest transactions of its kind in the history of the industry. With consolidated total assets of approximately \$200,000,000, the combined companies rank high in the highly competitive industry.

Actually new in name only, Kaiser and Willys have more than 57 years of automobile producing experience. Forerunner of the modern Willys and world famous Jeep vehicles of today was the tiller-steering, chain-driven Overland Runabout, circa February 1903. It was followed in later years by such memory-provoking models as the popular Whippet, the Willys-Knight with its famous sleeve-valve engine and the economy-designed American.

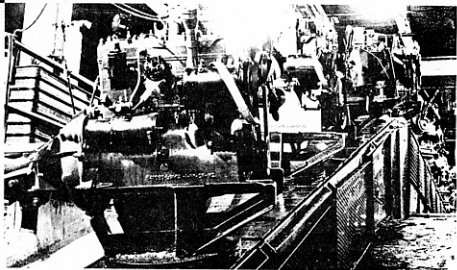
The first Kaiser rolled off Willow Run assembly lines on Decoration Day, 1946, a memorable date in the





The forge division at the Toledo plant can hammer and press out 96,000,000 pounds of steel forgings a year. Kaiser-Willys makes more of its own auto parts than any independent.

Geared to 1,200 units a day, the Toledo engine line produces the durable, economical four and six cylinder engines for which Willys is famous. Engine has 27% more hp.



Rolling off the engine dress-up line are powerful Kaiser Supersonic engines ready for mounting in chassis.

history of the first enduring automobile company established since 1925 - a company which has already produced more than three-quarters of a million automobiles. Kaiser pioneered in such models as the Traveler utility sedan, the hardtop Virginian, the four-door Manhattan convertible and the low-priced Henry J. The company was first to announce it would build a plastic body sports car - The Kaiser-Darrin 161, now in production.

The formation of Kaiser-Willys Sales Division, announced as a major step in the consolidation of Kaiser



The Wilson Foundry Division, a wholly owned subsidiary of Pontiac, Mich., casts cylinder heads and blocks for all engines used in Kaiser and Willys vehicles.

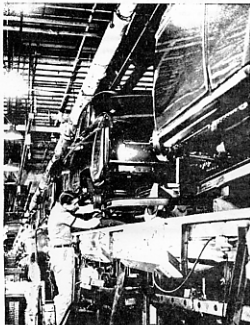
Motors and Willys Motors, followed closely earlier integration moves which effected economies in purchasing, accounting, engineering and export operations.

Close to 3,000 Kaiser-Willys dealers provide expanded, quality sales and service to purchasers of these products, as well as to the present owners of more than 2,000,000 Kaiser and Willys vehicles. Dealers representing both lines of cars and commercial vehicles can now merchandise them in 94 per cent of the national market. A strong companion to the domestic sales organization is the Kaiser-Willys export operation. With

assembly plants in Belgium, The Netherlands, Denmark, India, Ireland, Union of South Africa, Indonesia, Mexico, Australia, Brazil, Yugoslavia, Japan and Israel, and with distributors and dealers throughout the world, Kaiser-Willys has achieved the rank of third largest exporter of passenger and commercial vehicles.

Within the continental limits of the United States, Kaiser and Willys employes, 21,000 strong in 14 separate plants, manufacture 72 different products for civilian and defense needs. An aggressive diversification program will add more items to the list. At the same

Willys single-unit body and frame construction demands unique production methods.



The new military Jeep, produced for the U.S. Ordnance Corps, is built on the same line as its civilian counterpart. This new, improved Jeep can travel in water up to its windshield.

