

Chicagoland PT Cruiser Club Newsletter

NOVEMBER 2005

Club Update

At the October meeting of the Chicagoland PT Cruiser Club we nominated officers for the upcoming year. All positions were open for nominations. The following people were nominated .

President
John Sugrue

Vice President
Gary Kouba

Treasurer
Fred Eben

Secretary
Cindy Kaleta

Web Master
Tom Koster

Events Coordinator
Jackie Blickle

As we only had one nomination for each position, the voting process will be an easy one. All of the above candidates will be elected at the November meeting and assume their positions on the board starting in January 2006.

As with many of the last meetings, our meeting location was brought up. It has been decided that Thornwood is not the perfect location for our meetings. We will have our last meeting of the year, the November meeting, at Thornwood. We will start off the year with our January meeting at Home Run Inn Pizza on Lake Street in Addison. We will also be scouting out some other locations for a meeting location that will suit the majority of the club members. We will never have a location that pleases everyone but hopefully we can find a location we can all agree on.



CHRYSLER – THE BIRTH OF THE PT CRUISER



We all drive a Chrysler car, but how many of us know what started this great company and how did we end up with a PT Cruiser? Over the next few months we will be featuring an article submitted by Bob Repin. Bob and his wife Judy recently purchased a new 2005 Signature Series PT and they were trying to get some history about the company and the car. The following is the second of a series of articles . . .

After Walter P. Chrysler's retirement from the automotive industry in 1920, Walter maintained an office in Detroit at his own volition. His retirement was not to last. The accomplishments and the abilities shown by Mr. Chrysler during his years at Buick impressed a group of bankers, which held an increasing debt belonging to the Willys-Overland Company. The bankers approached Mr. Chrysler and offered him a two-year contract to head the ailing Willys-Overland Company. He would have the title of Executive Vice President and have the freedom to operate the company the way he thought best. The bankers hoped the company would be back on track financially at the end of the contract. After careful consideration, Mr. Chrysler asked for an exorbitant salary of one million dollars annually. The bankers accepted. He quickly went to work examining and assessing the inauspicious task that lay ahead. It was decided, John N. Willys concurred, that a new car was needed to help save Willys-Overland. They did not want a revamped existing model but a totally new design with some new ideas. Mr. Chrysler hired the independent engineering team of Fred Zeder, Owen Skelton and Carl Breer. They were given the mandate to design a totally new car that would help deliver W-O from financial ruin. This team of automotive engineering experts were well into the design stages of the new car when word came down from the W-O executive board which was controlled heavily by the bankers. The company wanted a car that was sure to sell; they did not want a car full of new, untried and potentially unsaleable ideas. The new Willys-Overland was dead, but the ideas remained, especially the advanced design of the engine. Walter P. Chrysler formed the Chrysler Motors Company that would operate as an entity within W-O and from their production facility in Elizabeth, New Jersey. Mr. Chrysler had the Zeder, Skelton and Breer team keep working on the research and development of the new automobile. The car would be named the Chrysler Six. Several cars were prepared for testing but their efforts were continually hampered by the ongoing rebuilding at Willys-Overland.

In 1921, another group of bankers looked to Walter P. Chrysler to save their investments. The Maxwell-Chalmers automakers were a financial disaster and in need of sound management. With his reputation at Buick, General Motors, and now at Willys-Overland, he was looked upon as their savior. Some negotiating with the Willys-Overland management allowed Mr. Chrysler to work outside of the W-O contract and work with Maxwell-Chalmers. His price this time was not to be the exorbitant sum being paid by the W-O group though. He accepted the offer of a one-hundred thousand dollar yearly salary with tremendous stock options.

Mr. Chrysler was named Chairman of the newly formed Maxwell Reorganizing Committee. He immediately went to work to start to mend a fractured dealer network. Axles and gas tanks were a problem on the 1921 Maxwells. A recall was ordered and repairs were made. He proposed to the stockholders that Chalmers be merged with Maxwell in a plan to reorganize the chaos of the current companies. The Maxwell Reorganizing Committee's plan was to institute Maxwell-Chalmers inter receivership, auction the company and purchase it back. In May of 1921, the company went to auction. Unexpected interest and consequent fierce bidding from W. C. Durant, John N. Willys, Studebaker and several eastern brokerage firms required Mr. Chrysler to bid over eleven million dollars to buy it back for the reorganizing committee. The new Maxwell Motors Company was formed with Chalmers existing only as a line of cars. Walter Chrysler was again named Chairman of the new company still retaining control on his terms.

The volatile financial climate of the period saw the Willys-Overland Company go into receivership three months after the departure of Mr. Chrysler. The now vacant production facility at Elizabeth, New Jersey, was put up for auction and the plans for the Chrysler Six were in the package. The engineers Zeder, Skelton and Breer had left and started their own business. The Chrysler Motors Company had dissolved; its existence served no real purpose now. Mr. Chrysler sent a representative with instructions not to bid over five million for the plant which was valued at fourteen million. The plant sold for five and a half million to W. C. Durant. Durant used the Chrysler Six plans for his eventual Flint automobile. He had altered the plans to such a point the car could in no way be compared to the original plans of the Chrysler Six.