

General Motors and Cadillac

The Ranting of a Frustrated Fan

By Jeff Kinzler

It seems that the history of Cadillac and General Motors are inextricably intertwined. If you look up the history of GM on their official web page, they mention many of the technical contributions of Cadillac, such as the first standard closed bodies, electric start, high speed, high compression V-8 engines, tilting beam headlamps, to name a few, but nothing is mentioned about Wilfred Leland, son of Cadillac's founder, Henry M. Leland and how he convinced GM's creditors to keep the fledgling company in business after it was unable to pay back its loans. (See, *Cadillac, the Complete 70 Year History by Maurice Hendry*).

Now I suppose one could do a comparison of Cadillac sales and GM stock value to prove out this theory, but I suspect that even to the casual observer, the fortune of Cadillac as an American luxury car mirrors the fate of the parent corporation. Could it be that GM and Cadillac are poised for a comeback?

When Cadillacs were in their heyday, for example in the early-mid 1960s, GM was flooding the market with exciting, desirable and innovative products that people couldn't wait to buy. Consider the following examples.



From Chevrolet, we had the all-new 1963 Corvette Stingray, the turbocharged Corvair Spyder, the Impala SS 409, 396 and 427, all available with "four-on-the-floor." Then in 1966 the Caprice arrived, which was really a heavy, luxurious car more akin to a mid level Buick or Olds, especially when equipped with the 396 V-8. Pontiac had the GTO and wide-track, high performance big cars like the Bonneville, Grand Prix and Catalina-based 2+2, available with 8-lug aluminum wheels and the 421 Super Duty engine with either 4-BBL or tri-power carburetion. I know from

personal experience that even the 'base' 389 cubic inch V-8 was quite a hairy beast.



And how about those full size Pontiac bodies for 1965? The "coke bottle" shape, with vertical quad headlamps, kicked up rear fender lines, and split front grilles were gorgeous designs, and were instant hits with the public.

Olds came out with the Starfire, Jetstar, Delta 88, Dynamic 88, 98 and the 4-4-2 to compete with Pontiac's GTO, and then introduced the front-wheel-drive, 385 horsepower Toronado in 1966. Even their cheapest full-size car could be had a big-block 394 or 425 cubic inch "Rocket V-8."

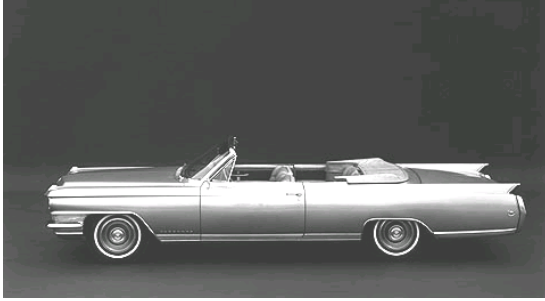


Who can forget the Buick Skylark GS Stage I muscle car? Or the beautiful Wildcat 445 convertible that we saw at the NY International Auto Show? Or that instant classic, the 1963 Riviera?



From their bodies to their wheels to their engines, dashboards and interiors, GM cars of the 1960s offered the buyer distinctive design, innovation, high performance, style and sex appeal. They truly followed the corporate plan of having a car for every type of buyer. You could still buy a Chevy Bel Air or Biscayne with a stove bolt six and three-on-the-tree if you wanted basic transportation.

Topping the GM list of course were the new Cadillacs. 1961-64 saw the refinement of the tail fin styling from 50's outlandish to neat,



razor-edge sharpness. (Take a look at the chiseled lines of the 63-64 Caddies and compare them to the styling of the new CTS-STS models-notice any similarities?) In 1967 Cadillac introduced the radically styled front-wheel drive Eldorado coupe. The 1968-70 Fleetwood Broughams were big sellers in the high-end American luxury market as well.



Then what happened? The oil embargo upset the energy markets and caused increases in gasoline prices, hitting the owners of large American cars in their wallet pretty hard. In response to this GM shifted its priorities to bring out smaller, more efficient vehicles, something its European and Asian counterparts had been doing for years. Federal clean air regulations required cars to pollute less. Instead of rising to the challenge and putting its best engineering talent to work, GM corporate leadership seemed to lose track of its core values, trying ill-conceived and poorly executed 'fixes.' They also let quality and reliability standards slip. There was a lot of hype about their new products, but they were, in a nutshell, a disappointment. Notorious examples include the Vega, the gasoline block diesel, and the Cadillac 4-6-8 among others.

My point is simply this: the legacy that Henry Leland and Cadillac imparted to General Motors, was (1) build cars of the highest quality and reliability, (2) charge a fair price and give the customer good value, (3) do your homework in the engineering department with your best talent and innovators, and (4) test the product thoroughly before putting it on the market. Cadillac built its reputation and success on these sound, fundamental

principles championed by Henry as a leader in the field of manufacturing quality control in the latter half of the 19th century.

Getting back to our history, shortly after Cadillac agreed to be acquired by General Motors in 1908, GM became insolvent. When GM's bankers called the defaulted loans and tried to shut it down, it was Wilfred Leland who negotiated with them all night long, in New York City to save the company. No doubt motivated by his desire to rescue Cadillac, he convinced the bankers to let GM stay in business, because of the excellent reputation and sales growth of the Cadillac brand. The bankers relented and agreed not to liquidate GM down on two conditions: the Lelands had to supervise the other GM divisions until they developed quality that was consistent with Cadillac, and Willy Durant had to resign as Chairman of GM.



Henry and Wilfred Leland left GM and Cadillac in 1917. For the next 60 years or so, GM was able to keep the Cadillac brand on top. When GM let Cadillac fall behind other luxury cars, the rest of GM slid down hill along with it. Have they learned their lesson, or is it too late? For the sake of the Cadillac fans, let's hope they learned from their mistakes.

In closing, I will raise one more question: don't the folks who are willing to pay over \$50,000 to drive a twenty foot-long symbol of success with a Cadillac grille up front deserve something better than a gas guzzling Chevy truck? Like something, that does all that *and* gets 75 mpg with zero emissions? Come on Cadillac, show us your stuff!

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