

1911 WAS A GOOD YEAR FOR CHALMERS

(This story is an excerpt from Old Cars Weekly News, issue 3/25/04, with some of the editor's research mixed in)

Hugh Chalmers didn't know much about building cars, but he knew a great deal about salesmanship and merchandising. Before his Detroit experience, he had been Vice President and General Manager of the National Cash Register Company in Dayton, Ohio; a job started at age 14 working as an office boy while going to night school, eventually working his way up to VP & GM.

Hugh Chalmers benefited from a nation-wide reputation for his salesmanship and merchandising skills. This prompted veteran car maker Roy Chapin in 1907, then with Thomas-Detroit, to ask Hugh Chalmers to come to the motor-city and join the company. Thomas-Detroit was in its second year and auto sales were quickly sliding downhill. The objective was for Hugh to apply his skills to solve the problem. Hugh refused Chapin's first offer, but several more followed. Finally, with the last offer, Hugh accepted because it was too good to refuse; Hugh Chalmers was to be President with "Chalmers" incorporated into the company name.

It was early in 1908 when Hugh Chalmers took over as President of Thomas-Detroit and the name was changed to Chalmers-Detroit by mid-year. Hugh immediately went to work on the company's sagging sales by putting the Chalmers name into the public spotlight. This meant hiring a team of professional drivers and entering as many road races, hill climbing events, and reliability contests as possible. Only two models were being manufactured at the time, and they both had the potential for winning numerous awards. One was a left over T-D design known as a "Forty" and the other was a new model called the "30". Both models had four-cylinder engines that were excellently engineered and were good performers, but dramatically different otherwise.

The "Forty" was a heavy weight model with an over-square 5" x 4-. (bore x stroke) L-head 40 hp (advertised) engine that sold for \$2,750. Engines were initially manufactured by one of three outside suppliers; Chalmers later manufactured the engines. The transmission was a three-speed sliding-gear type connected to a leather faced cone clutch. Spark and throttle control quadrant levers were mounted on the steering wheel and three foot pedals were provided; one each for clutch, brake, and accelerator. The foot pedal brake operated on the drive shaft just behind the transmission and the hand brake (a.k.a. emergency brake) operated on rear brake drums.

On the other hand, the “30” was a new Howard Coffin light-weight design that had an F-head 30 hp (advertised) engine with bore x stroke of 4" x 4-1/2" selling for only \$1,500. Early-production engines were actually leftover stock from Thomas-Detroit and later, engines were built by Chalmers. Two significant characteristics of the “30” series were the unit engine/transmission design and the single clutch/brake pedal. The unit engine/transmission design consisted of a single 4-cylinder block casting (called “cast en bloc”) with a two main bearing crankshaft and integral clutch and transmission case attached to the engine. Theoretically, this results in a short, stiff crankshaft that provides high reliability under hard running conditions. The single clutch/brake pedal combined the clutch and brake function into a single pedal. When depressed halfway, this pedal releases the clutch; then beyond that point it starts to provide braking action.

The Chalmers quickly found glory in award ceremonies. In two years of competition, they racked up 89 first place wins, thirty two second place trophies, and 21 third place victories. The most prestigious wins being the famed Vanderbilt Cup in 1909 and the coveted Glidden Trophy in 1910. But Hugh Chalmers did not stop there; early in 1910, he announced that the two baseball players who earned the highest batting average (HBA) by seasons’ end, one from each league, would be presented new Chalmers automobiles during the World Series play-off. It was called the Chalmers Award by the press and newspapers across the country began to feature stories and news releases, season long, on the standings on this award. The Chalmers Award a hugely successful advertising scheme that required only a few thousand dollars investment for a return of more Chalmers publicity than could have been bought! By 1911, the Chalmers factory was one of the most modern and comprehensive automobile manufacturing plants of the time. Located on the East side of Detroit, it had ready access to both railroad and Detroit River/Great Lakes ship transportation. One of the things that made the Chalmers plant so advanced was the self-sufficient approach to building automobiles. For example, raw pig iron was shipped in and processed by the on-site foundry and machine shop to become complete engines, transmissions, and axles as needed for the finished car. Even the nuts, bolts, and screw fasteners required to complete an automobile were made on-site. Many of the competing automobile manufacturers bought these items from outside suppliers and simply “assembled” their cars. Chalmers did buy parts from some outside suppliers on a limited basis (i.e. sparkplugs & tires), but the underlying philosophy was to perform as many manufacturing processes as possible in-house.

The “30” series continued in 1911 as the Model M. It consisted of six body styles, but with few changes from the original 1908 design. There was also a new design introduced in 1911 based on a 104" wheelbase “30” chassis known as Model 9 Torpedo Roadster. The Model 9 provided a special appeal to sports car lovers with its short bobtail frame. It had quick steering and could do 55 MPH! The “Forty” also continued in 1911 as the Models J and L. Taken together, these Models accounted for 6,250 in sales for 1911, which positioned Chalmers in 8th place among U.S. auto manufactures – a high point in Chalmers’ production ranking not to be achieved again. Not only was 1911 a peak in the production rankings, but the company was also doing well financially. Chalmers was now paying respectable and regular dividends to its stockholders. Payout of preferred stock dividends was at a rate of 7% per year and the common stock was 2.5% annually. Company coffers were being filled and stockholders were happy. Hugh Chalmers’ merchandising magic had paid-off, but the auto industry was changing – it was becoming more competitive. Beginning in 1912, Chalmers began to slowly lose sales momentum and then it quickened to the point of no-recovery because Hugh Chalmers couldn’t come up with a remedy. The problem was a classic example of the combination of low-volume, high-cost, and excess manufacturing capacity.

Editors Note – The original article in Old Cars Weekly News featured the 1911 Model 9 owned by the late Ike Osburn; now owned by his son, Rodger.