

CHALMERS-DETROIT AND HUDSON COMPANIES TO SEPARATE

DETROIT, Dec. 20—In this city, automobile history is made while you wait, so that the announcement of the ultimate separation of the Chalmers-Detroit and Hudson companies into two distinct concerns, following closely upon the Studebaker E-M-F announcement, made a great stir. Ever since Hugh Chalmers purchased an interest in the Chalmers-Detroit Motor Company it has been his ambition to become the controlling factor. The formation in Detroit some time ago of the Hudson Motor Company paved the way for changes that will make this condition of affairs possible. Identified with the latter concern were a considerable number of Chalmers-Detroit stockholders, including Mr. Chalmers, R. D. Chapin, Howard E. Coffin and F. O. Bezner.

After July 1 next the two companies will operate as separate concerns, being owned by entirely different persons. Messrs. Chapin, Coffin and Bezner have traded their Detroit-Chalmers holdings to Mr. Chalmers for his holdings in the Hudson Company and a comfortable cash bonus, and will busy themselves with the affairs of the latter corporation after the above date.

Under the reorganization, officials of the Chalmers-Detroit Company will be: President, Hugh Chalmers; vice-president, Lee Counselman; second vice-president and factory manager, J. J. Brady; secretary, H. W. Ford; treasurer, C. A. Pfeiffer; chief engineer, George W. Dunham, now chief engineer of the Hudson Company.

E. R. Thomas, of Buffalo, it is understood, retains his holding and will continue to serve as a director in the Chalmers-Detroit Company.

Under this change Messrs. Chapin, Coffin, and Bezner gain control of the Hudson Company, which will be officered as follows: Chairman of the board, J. L. Hudson; president, R. D. Chapin; vice-president, H. E. Coffin; secretary, F. O. Bezner; treasurer and general manager, R. B. Jackson; sales manager, E. C. Morse.

When interviewed by a representative of THE AUTOMOBILE, Mr. Chapin had this to say concerning the proposed changes: "We were facing a business problem, and we met it in a business-like way. We have felt for some time that the field of both the Chalmers-Detroit and Hudson Companies was so broad that both should be worked to the limit. We decided that a rearrangement of our executive forces was the best thing to bring about the results desired.

"In connection with my associates, I have the greatest faith in the future of the light car business. I believe that companies such as the Hudson and Chalmers-Detroit, making good cars at low and medium prices, and in position to produce in large quantities, will reap the largest measure of prosperity within the next few years. It is our belief in this bright future for the maker of

the light car that has influenced all of us to rearrange our line-up so as to take the utmost advantage of the opportunities offered.

"There will be no change in the policy of the Hudson Company, in its production of cars at a very moderate rate of price, with the highest possible quality that we can put into them. The unusual success of the Hudson "Twenty" roadster argues well for the plans we have in view respecting the future of the company.

"All of us have the most sincere respect for Mr. Chalmers and his ability, and our agreement is entirely a friendly one. The two companies will aim to work in close harmony and to help one another in every possible way in the future."

Mr. Chalmers expressed himself in a similar strain, when seen by a reporter for THE AUTOMOBILE. He said in part, speaking on the subject of the change and its influence on the two companies:

"We reached the conclusion that both companies would develop faster, and all concerned in them prosper more rapidly if there was more concentration of effort along definite lines on the part of some of the officers.

"It is sometimes difficult in the actual management of two distinct corporations for the same set of men to give each concern the full amount of attention that each one should have, and we felt that the Chalmers-Detroit and Hudson Companies each was large enough now to demand the individual attention of its own set of officers. These contemplated changes will not take place abruptly. We shall work into them gradually and naturally, so that the regular operations of either company will not be interrupted.

"I want to say that my association with Messrs. Chapin, Coffin and Bezner has been long enough for me to have learned to know them very well, and to appreciate their knowledge of the automobile field and their ability to carry on successful operations in that field; but, above all, I have learned to have the highest possible estimate of their integrity and ability. We have always been the best of friends and our business relations have been most pleasant. This deal is entirely friendly and will not in any way interfere with our business or personal relations in the future. It is the spirit of our agreement that the two companies, although they will be entirely distinct and operating along slightly different lines, shall continue to work close together and in perfect harmony.

"The policy of the Chalmers-Detroit Motor Company will not be changed in any way. We shall continue to make the Chalmers-Detroit "Thirty" and "Forty." It has been the established policy of the company to offer the public the greatest possible values at the prices asked, and we shall continue to follow this policy."