

LACK OF STEEL NOW HITS AUTO MAKERS

Already Their Production Is
Badly Affected.

PLANTS RUN ON PART TIME

Manufacturers Compelled to Hold
Back Plans for Bigger Output;
May Have to Close Entirely.

DETROIT, Dec. 20.—The coal strike is over, but not so the trouble of the automobile manufacturers here. Even if coal comes through from the mines promptly, there is little hope for the present of resuming operations in most plants on more than a three-day-a-week scale. The truth is that the automobile industry just now is precariously near to being in a hand-to-mouth struggle for existence, due to the steel shortage.

Little has been said of the steel situation of late. The country at large seems to believe the steel strike is ended. This is not the case, as is being proved right now to the automobile plants by an acute shortage in steel materials.

Unless the next few weeks bring relief, manufacturers predict the temporary abandonment of all increased production schedules, if they do not curtail present production itself. The automotive industry has planned production increases of from 33 1/3 to 100 per cent, but the fact remains that the industry is facing a crisis more serious than it has faced for years.

Conditions Quite Serious.
In Detroit production is already slumping. One of the biggest manufacturers of axles, unable to maintain a steady steel supply, has cut production 40 per cent. Scores of others are in a similar predicament and this condition prevails not only in Detroit, but in the other automotive centers of Michigan, Ohio and Indiana.

The internal combustion motor came valiantly to the rescue of industrial Detroit during the coal strike, and has kept many plants running entirely or in part as soon as ingenuity could devise a way of looking up gas to do the work electrically. Every type of motor was used and many of the smaller shops were able to keep going 100 per cent by using their automobiles when the fuel administration shut down on their coal.

In the Dodge brothers plant a number of motors taken from cars kept a considerable part of the plant going. The cases where Ford cars were used as power plants are so numerous that a census is all but impossible, almost every small shop proprietor cut off from juice calling on his car to do duty.

In the Scripps Motor company plant a 40 horse power marine motor taken out of stock was belted, tail shaft to main shaft, by means of a pulley and made to do the duty of six five-horse power motors, which were directly connected to the machine and kept the plant 75 per cent in operation.

The Maxwell and G. M. C. truck plants also used motors to run certain departments of their plants with success.

One Motor Runs Whole Shop.
At one plant the motor of a Cadillac roadster was unshipped and is running practically the entire shop. Had the strike lasted longer and had it been probable that fuel restrictions would be indefinite, gas-run plants would be exceedingly common and a good many cars would have been taken off the streets.

It is reported that Dodge brothers are contemplating trying out the plan on a large scale, but the company engineers are not satisfied the plan is feasible.

American motordom will have its first chance to inspect the new Lafayette car during the week of the New York Automobile show, January 2 to 10.

The latest creation of D. McCall White, designer of the English Daimler and Napier and of the eight-cylinder Cadillac, will be exhibited in the main lobby of the Hotel Commodore, instead of at the Grand Central Palace, where New York stages its 1920 motor revue.

The apparent exclusiveness of the Lafayette is due to the practice of the National Automobile chamber of commerce, which bars the doors of the Chicago and New York shows to any car that has not been in production for at least one year.

The Willis-Overland company is now building 600 Overland fours daily. The various factory departments are engaged in a spirited rivalry to accomplish their part of the operation so that production may quickly reach 600 Overland fours a day.

Ford Helping Employees.
Benjamin Gotfredson, president of the Saxon Motor company for two years, has resigned from that office and will again give his entire attention to the American Auto Trimming company, of which he also is president.

Mr. Gotfredson's decision to retire from active leadership of the Saxon company came despite opposition to such action on the part of the editors' committee and directors of the company.

Henry Ford, in addition to establishing co-operative stores at which his 25,000 workers may buy their provisions, will manufacture flour from 25,000 bushels of wheat from his farm and sell the product to his workers. The farm may supply much more in the way of produce for the stores, one of which is a part of the Highland Park plant and is well patronized.

The Cyclomobile Manufacturing company of Toledo has begun the production of a one-passenger automobile which is to sell at \$340. The company announces that it expects to manufacture 10,000 of the cars during 1920.

Clydesdale Motor Truck company of Clyde, O., announces an increase in its capital stock from \$500,000 to \$1,000,000. The original capitalization was found inadequate to take care of expanding business, it is said.

It is reported that the Saxon Motor Car corporation, which has been purchased from the Root & Vandervoort company of Moline, Ill., 12,000 four-cylinder engines of which 7500 are to be delivered immediately and the remainder next year.

HOW MOUNT TABOR PARK LOOKED IN THE BIG SNOW AS SEEN FROM THE SHELTER OF A FORD SEDAN



PORTLAND so very seldom has a big snow that people here hardly know how to act when one comes along. The cold snap and snow storm of a week ago fell particularly hard on the motorists, who were prepared for nothing more radical than heavy rain. They made a grand rush for the chains and anti-freeze solutions, gloves, heavy clothes and car muffs, and struggled along. But driving in near-zero weather,

even with ear muffs, two or three heavy shirts aboard and curtains up fore and aft, is pretty chilly business. The only car owners able to take the cold weather philosophically were those lucky ones who were driving enclosed cars. That condition is changing mighty fast. Portland motorists in the past couple of years have come to realize how many are the advantages of the enclosed car over the open model. Properly speaking, the enclosed car should be called the all-weather car, for it is as convenient and usable in

summer as in winter. Southern California, where they don't know what snow looks like, is one of the best enclosed-car markets in the United States. One of the handiest of all the enclosed car models is the Ford sedan. It is so light and easily handled, so convenient and comfortable in all weathers, that it is becoming a great favorite in this territory. In fact, the many sales of Ford sedans and coupes for it is a big reason for the gain in

GOVERNMENT POLICY ON AUTOS CRITICISED

Industrial Disturbance Plea
Proves Boomerang.

MANY CARS ARE RUINED

Army of Officials, Acting Under
Orders, Permit Motor Equipment
to Remain in Unprotected Open.

OREGONIAN NEWS BUREAU, Washington, Dec. 20.—Why 17,000 automobiles, many of them new and unused, were permitted to stand out in the open, exposed to the elements, to rot and rust, is explained by an order issued by the director of sales of the war department, last January, or about the time the rotting and rusting began. It reads:

"It is the policy of the director of sales to dispose of the surplus property of the war department so as to disturb the industrial conditions of the country as little as possible.

That industrial conditions were not disturbed, is proved by the rapid advances in the prices of the surplus automobiles sold by private agencies to the public since that statement was issued. It was brought out at investigations made by the Graham war investigating committee of the house that the director of sales who formulated that order and issued it, of course, with the approval of Secretary of War Baker, was formerly the head of the sales department in New York City for one of the great automobile manufacturing concerns. His name was Guy Hutchinson.

Automobile Firms Control Policy.
The hearings disclosed many matters of interest. One was that Brigadier-General Drake, chief of the motor transport corps, made numerous efforts to have the surplus automobiles, many of which were delivered after the armistice was signed, disposed of, but his efforts all came to naught in the interest of the automobile concerns.

What was happening to these automobiles in the meantime, may be understood by what took place at Camp Holabird, Md., which is only 50 miles from Washington. In a letter from Colonel Chitty, who was commanding officer at Camp Holabird, it was shown that 488 passenger cars were declared surplus on February 13, which imposed the duty upon the sales department of selling them, but these cars stood out in the open at Camp Holabird until the latter part of September before they were sold. Meanwhile inquiries were coming from all parts of the United States from individuals who expressed a desire to bid on the surplus motor cars of the government, an opportunity which they were never permitted to have.

It was brought out clearly by Representative Reavis of Nebraska in questioning General Drake that there was no attempt to prevent the cars at Camp Holabird from being destroyed. During all those months, as described by Mr. Reavis in a speech in the house, "they were standing in the open, with no protection, subjected to the elements, rapidly covering with rust, the tops rotting, the upholstery tearing loose, the paint faded and cracked, and the department of sales doing absolutely nothing with reference to their disposition."

Machines Lie Out in Open.
Mr. Reavis took occasion several times to point out that the chief of the motor transport corps continued his efforts to have the surplus cars sold, continuing:

"It is well to bear in mind that during the time the motor transport corps was seeking to have these machines sold there were 120,000 motor vehicles held by the war department in the United States. Before the war started the total number of motor vehicles need for the army was 4000. It must have been very apparent to anyone of average intelligence that there was tremendous surplus of these vehicles. It was known to all the bureau of the war department that there was no storage sufficient to care for this tremendous number of machines. No farmer would permit his farm implements to lie out in the open all winter, and yet farm implements, because of the material and character of their construction, would not deteriorate in any degree as an automobile when so exposed. "Notwithstanding winter was approaching, notwithstanding the tremendous loss that the government would suffer by permitting these cars to stand in the open, nothing was done either to sell them or provide storage. This indifference on the part of the war department to the rights and welfare of the American people is beyond understanding, but the testimony is undisputed in this record that this condition continued through all of the winter and through practically all of the past summer."

France Reaps Profit.
One of the most amazing disclosures of the investigation was that 70,130 automobiles were delivered to the army after the armistice was signed and demobilization was begun. And more remarkable still, 25,953 automobiles were shipped to France after the armistice, 20,607 in November, 15,421 in December, 2021 in January, 3115 in February, 411 in March, 42 in April, 81 in May and five in June.

This was done to avoid "disturbing industrial conditions at home." "In the month of August," said Mr. Reavis, meaning last August, "we sold to the French nation all of the motor vehicles we had in France, which were valued at \$310,000,000, for 20 cents on the dollar, on 10 years' time. In other words, the motor equipment we had in France was worth approximately as much money as it cost to build the Panama canal, and in this motor equipment were 26,000 vehicles that we sent abroad after the war was over, after we had received the motor equipment from Germany and after our troops were being brought home. It may be in bad taste at this particular time to register a protest against such a shameful waste of the people's money. It may be with so many voices in the air appealing to us to be generous to the other people that one is not justified in demanding that we be just to our own people. There is no more sympathetic with the people of the Old World than am I, but I must confess that generosity such as I have revealed is an unwarranted disregard of the rights of the American people."