

## FORD RESIGNATIONS CAUSE SPECULATION

What Is Matter With Company, People Ask.

## LOAN RUMORS ARE NOTED

Negotiations Are Reported Under Way to Obtain \$75,000,000 to \$110,000,000.

DETROIT, Mich., Feb. 12.—What is the matter with the Ford Motor Company? What are the true motives for the wholesale resignations from the organization that has made its product a household word in every nook and cranny of the world? What truth is there in the widely published reports that a loan is under negotiation the amount of which is variously reported from \$75,000,000 to \$110,000,000?

These are the questions that are puzzling the entire automobile and financial world. No one appears to know the authentic replies, or at least, no one will divulge the information. As is always the case where Ford executives are concerned, there is a complete absence of communication of the facts to the outside world.

Evidence that the ranks of the Ford official family were split in friction and discord came to the surface when James Couzens, present mayor of Detroit, one of the original stockholders, and vice-president of the growing company, resigned during the world war. Although Mr. Couzens did not say so, it was quite generally believed that he could not agree with Mr. Ford's pacifist policies. The withdrawal of the Dodge brothers came a year or two later. At intervals came the "resignations" of Harold Willis, engineer; Norman H. Hawkins, sales manager; and John R. Lee, head of the sociologist department.

## Much Comment Caused.

The withdrawal of these men so closely identified with the rise of Henry Ford caused much comment, but nothing like the flood of discussion that has been heard within the past few weeks over the withdrawal of Charles E. Brownell, publicity director; Frank L. Klingensmith, vice-president and treasurer; and W. C. Anderson, European agent. Dean Marquis, head of the welfare department, also handed in his resignation last week, but it has not been acted upon as yet, it is understood.

The resignation of Mr. Klingensmith caused a profound sensation in Detroit automobile and financial circles. Regarding the financial business of the great company, his action furnished real proof of disturbance in the Ford organization.

Mr. Klingensmith, it is said, is unalterably opposed to the acquisition of the Detroit, Toledo & Ironville railroad by the Ford interests. The purchase of the road at a period when financial clouds were appearing on the horizon was an ill-advised move, in his opinion. Certain other officials whom Mr. Ford consulted approved the scheme, but not Mr. Klingensmith. The motor magnate's ventures into mining and timber enterprises about this time were taken, it is understood, despite Mr. Klingensmith's disapproval, although the former vice-president is not authorized for this statement.

## Ford Prices Are Reduced.

Last September Ford prices were reduced to the pre-war level. Mr. Klingensmith strongly opposed this move, because he did not believe it would lead to the sale of the cars which the Fords themselves expected. Mr. Klingensmith's stand was upheld by other officials.

Another cause of the present troubles in the Ford organization is said to be the anti-Jewish campaign conducted by the Ford Motor company, which is owned and published by Henry Ford. Mr. Ford's position toward the Jews has caused the resignation of at least one official, W. C. Anderson, European agent of the Ford company, who quit last week, declaring that many of the company's customers are Jews.

Mr. Ford's letting out of his minority stockholders was expensive. James Couzens is reported to have received \$37,000,000 for his stock. John R. Lee and Horace B. Dodge, \$27,000,000; the Gray family, \$27,000,000; and Horace H. Rackham and the other smaller stockholders, \$15,000,000, making a total of \$225,000,000.

Assets Are Considered. As part of the money with which to complete this transaction, the Ford Motor company was said to have had at the time \$40,000,000 in cash assets, leaving \$20,000,000 to be obtained elsewhere. The company went into the eastern financial market and got a loan of \$60,000,000, of which about \$10,000,000 would have remained. Had \$50,000,000 gone to help pay off Mr. Ford's former partners.

Not long afterward came the Ford purchase of the Detroit, Toledo & Ironville railroad, for which approximately \$5,000,000 was paid, and of the timber and mine lands in the upper peninsula of Michigan, which required \$2,000,000. So the total disbursements was \$101,000,000, as against the total of \$102,000,000 of cash assets and the loan.

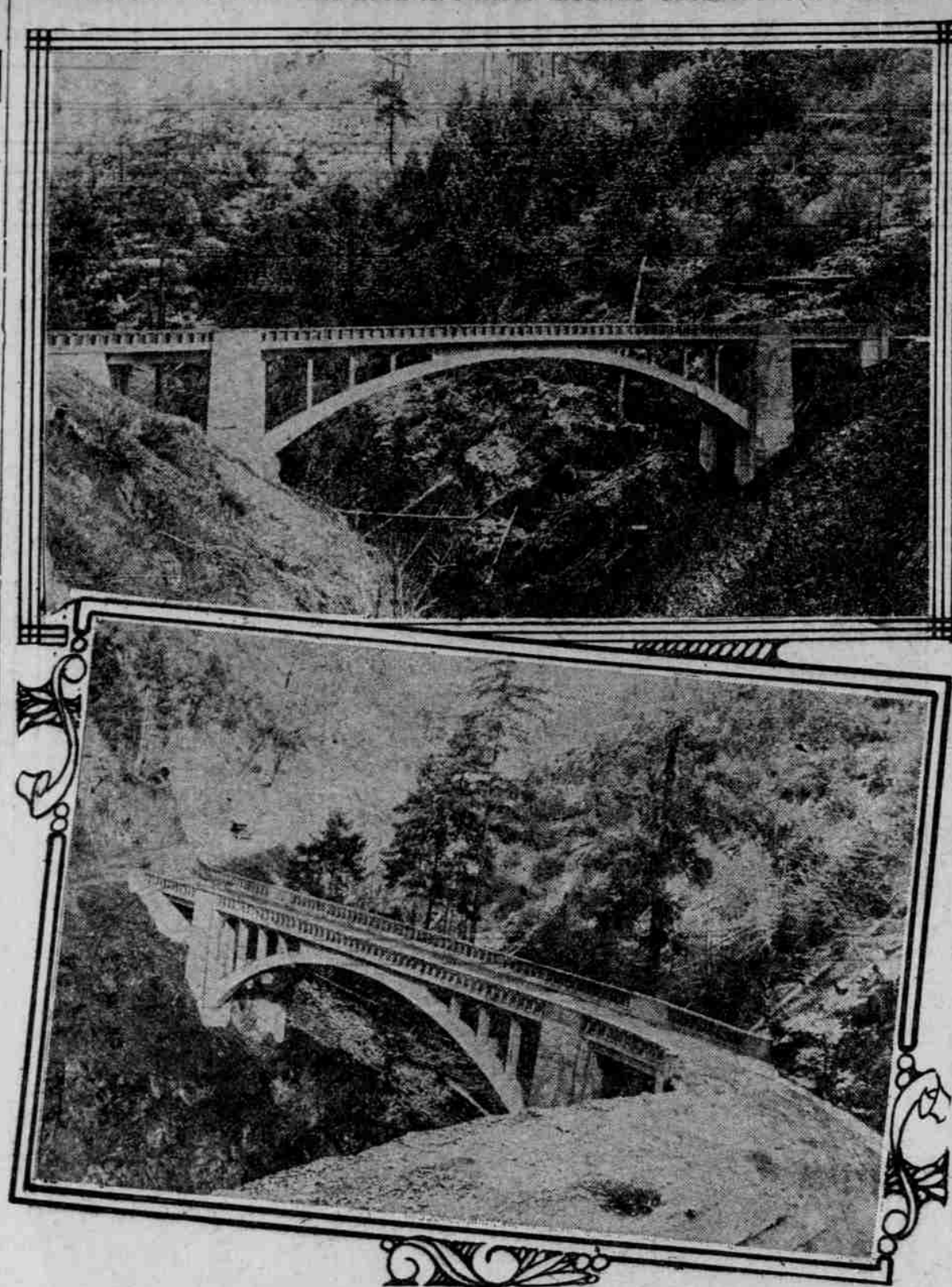
Financial men who have been figuring on Mr. Ford's investments in this direction say he counted on a heavy turnover from sales to provide him with enough working capital, and they put forth the theory that practically all of the earnings of his organization from the time of the purchases mentioned until the time when sales began to fall off went to reduce the eastern loan and back into the business, particularly into plant construction in the River Rouge district. Ford's conversion of raw materials into cars has always been so rapid that the motor kink has been enabled to make investments in permanent improvements out of his bank balance rather than by the usual methods of long-term loans.

Then, however, the market for motor cars was reduced, and the published reports followed that Mr. Ford had called for help upon the Wall street which he has so vigorously attacked in other days. Mr. Ford is reported to have been only \$75,000,000, while Mr. Stettinius of the house of Morgan is declared to have put the figure at \$110,000,000. As to how Mr. Ford may have arrived at his total, and how Mr. Stettinius at a conservative Detroit banker spoke:

## Loan Steps Are Vague.

"It is reasonable to suppose," he said, "as he wrote down the figure \$30,000,000, 'that the Ford Motor company has that much in short-

HANDSOME CANYONVILLE ARCH ON PACIFIC HIGHWAY RECENTLY COMPLETED.



TWO VIEWS OF CONCRETE SPAN NEAR CANYONVILLE, DOUGLAS COUNTY.

The photographs above show the handsome \$30-foot reinforced concrete arch bridge crossing Canyon creek, on the Pacific highway, which was recently completed. It is located seven miles south of Canyonville. The bridge which is one of the most lightly on the Pacific highway in Oregon, is located on a section of the highway passing through the Umpqua national forest and was designed and its construction supervised by the United States bureau of public roads. Funds were provided jointly by the United States forest service and the Oregon state highway department. Construction was done by contract, Stebbins Bros., Portland building contractors, performing the work. This bridge eliminates another bad detour on the Pacific highway in southern Oregon and shortens the route by approximately one-half mile over the old road.

term liabilities, and by that I mean acceptance and notes which it has given for materials received. The balance on the former loan is \$25,000,000, and, while that was renewed on January 16 for three months, there is the probability that Mr. Ford is making provision in the new loan to pay that balance at maturity. Then possibly \$20,000,000 is represented in purchase contracts, by which I mean contracts the company has with suppliers of materials, and which must be carried out within the next few weeks or months. That makes the total \$75,000,000, the one Mr. Ford is reported to have fixed.

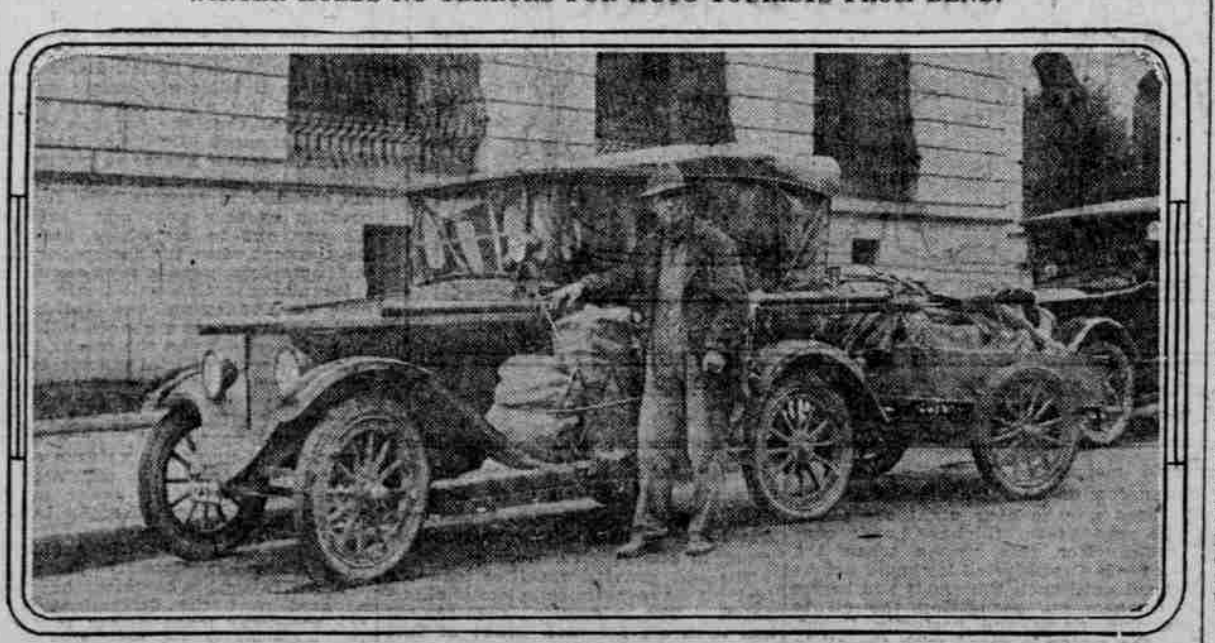
"But the chances are that Mr. Stettinius added another item of some \$40,000,000 which Mr. Ford had left out. This total, which represents cars completed or partially completed, but not sold, is a non-liquid asset, which Mr. Ford probably will need when he resumes manufacturing. He will have to throw it into the pot right away, so to speak.

"In normal times, of course, when cars are being sold as fast as they leave the factory, there is no such amount tied up. Thus the difference between Mr. Ford's estimate and Mr. Stettinius' probably lies in their divergence of views as to how soon sales will pick up, or it may be that Mr. Ford's cash assets are greater than might be supposed."

Just who is acting as the Ford agent in the reported loan negotiations has not been disclosed. The terms set up by the New York bankers are said to include the selection of a new treasurer for the Ford Motor company, a man of the bank's own choosing. In this connection the name of Mr. Bower of the Liberty National bank is most often mentioned.

Truck Mirror Flight Won. A permanent injunction restraining the Kentucky state tax commission from enforcing a law passed by the Kentucky legislature, providing that owners of motor trucks be required to equip them with driving seat mirrors obtained from the commission, has been issued by Judge Stout, in the Franklin county, Ky. circuit court.

## WINTER HOLDS NO TERRORS FOR AUTO TOURISTS FROM BEND.



R. W. McCAMMON AND OVERLAND CAR, WITH TRAILER, IN WHICH HE RECENTLY TOURS CALIFORNIA AND OREGON.

Seven months of motor touring in Oregon and California, pleasurable vagabondage with the whole household equipment along and the car ready to turn down any road fancy dictated, was brought to an end for R. W. McCammon, Bend contractor, and his wife and mother when the party arrived back in Bend last week. They were in Portland for a brief visit, arriving here from California over the Pacific highway and leaving for Tacoma, the Snoqualmie pass, Yakima, The Dalles and Bend.

McCammon purchased his car, one of the popular Overland fours, from the Portland branch of the Willamette Overland Pacific company, during Shrine week last June, and set out immediately afterward for California. The party spent the fall and early winter touring in California and started home in January. They camped out practically all the time, taking full camping equipment in their trailer. Even on the trip north to Portland they enjoyed the open air, spending but one night at a hotel, that being at Dunsmuir, where several inches of snow was on the ground. They utilized the auto camp grounds at both Ashland and Corvallis, which they report are open for use, although with no attendants. On the entire trip of 6500 miles the only repair necessary on his Overland, McCammon declared, was the installation of a new fan belt.

## PISTON RING HAS BIG TASK TO DO

Exact Fit Necessary to Get Best Result From Motor.

## CARBON CAUSES TROUBLE

Cylinders Should Be Reground if They Are Found to Be Warped When New Rings Are Fitted.

BY H. A. TARANTOUS.  
(Member Society of Automobile Engineers.)  
When one stops to think of the work that piston rings really have to perform these little parts loom up as a big factor in efficient engine operation. The piston rings are springy rings of iron which pack the piston and are supposed to make a joint between the piston and cylinder which will be so tight that gas cannot pass and at the same time be so free that undue friction will not be produced. On the face of it, these seem like opposed qualities in a sense they are, because if the rings were so tight as to prevent the smallest amount of gas or mixture from leaking past they would at the same time cause too much friction against the cylinder wall. Upon the exactness with which rings fit the piston and cylinder depends the retention of compression, the completeness with which the cylinder is filled with gas, the power produced by the engine, the extent of carbonization due to burning oil and also to a large extent the economy of operation of the engine.

It is vitally important to the car owner therefore to know something about piston rings and how they are fitted, for the fit of the ring in the piston and cylinder is the clue to a great many ills.

There are hundreds of types of piston rings, but in general use today there are perhaps only a dozen. Of these two are in ordinary use. These are called respectively the miter or diagonally split and the step joint. These refer to the method of cutting the ring ends, because much of the trouble from leakage is due to space allowed for leakage at the ends of the ring.

## Fit of First Importance.

In addition to these two types of rings there are many other makes of special rings which are designed to overcome the major deficiency of the two named, i. e., leakage at the ends. In every case some patented means is used for doing away with a space of any kind, so that the ring as it fits in its groove completely seals the cylinder. What I wish to impress upon the reader is that the piston rings must be accurately fitted to the piston and in the cylinder in order that a gas tight joint be had. If this is not done regardless of the type of ring there is bound to be trouble from oil and gas leakage.

Ill fitting piston rings allow, as previously mentioned, the mixture to leak down into the crank case. At the same time this mixture carries with it a certain amount of water, which contaminates the oil. Also the lubricating oil working up past the piston rings causes an accumulation of carbon deposit and misfiring due to shortening of the plugs and kindred troubles.

Before new piston rings are fitted the engine interior should be thoroughly cleaned of carbon, because carbon is an abrasive and has a cutting action on the bearings, cylinder walls and pistons.

Before fitting new rings the cylinders should be examined and measured. If found out of round, warped or scored, they should be reground and overdimensioned pistons and piston rings installed. Piston rings must have uniform wall pressure of sufficient strength to maintain a bearing against the cylinder walls during every operation of the piston. Rings which do not exert uniform pressure against the cylinder wall do not have the necessary wall pressure and may collapse under the force of the explosion.

## Carbon May Be Trouble.

After cleaning the ring grooves of carbon it is of the greatest importance to make certain that the sides of the grooves are true. Grooves that are V-shaped, staggered or have round corners should be turned to permit using the next width ring, which may be had from any dealer. Do not expand the rings until the piston until trying it in the groove to which it is to be applied. Roll the ring all the way around the ring groove and see that it enters the groove freely but not too loosely and deep enough so that it extends below the piston face at every point. If the ring grooves are too shallow before deepening them see that the corners are clean. If the ring binds on the sides of the groove look first for carbon. If none, rub the ring over on fine emery cloth on a smooth flat surface until the desired fit is attained. Each ring should be fitted to the groove in which it is to be placed. Expand the ring to be used in the bottom groove. Insert three 1/4-inch by 6-inch skids, cut from an old saw blade or any other light, pliable metal, one under each end of the ring and the third at the back. Slide the rings down over the skids. Install the bottom ring first and go on from bottom to top until all are in place. Oil well and rotate in the grooves to make sure that all dirt and foreign matter is removed.

## Tight Ring Not Good.

Bear in mind that a certain amount of clearance must be left at the ring ends and this clearance must be maintained when the rings are in position in the cylinder. In checking this clearance in a diagonally split ring complete the ring as much as possible while it is in its groove and measure the clearance at the ends. This will vary with the size of the ring, but usually it is 1/32 of an inch. The same clearance should be allowed in a step joint ring. In special rings provision is made for this clearance. Some owners in fitting rings imagine that if they are tight they will fit better. It is easy to see that if the ring is tight when the metal is cold it will become considerably tighter when it gets hot, and the result will be a stuck piston ring, which is not an uncommon cause of loss of compression and power. In order to avoid this condition the ring must be free in its groove and yet not up and down play must exist.

## How to Protect Fuel Line.

It often happens that the fuel line rests against some more or less sharp edge of the chassis. The vibration inevitable when the car is in motion causes a slight rubbing, which in time wears the piping through and a leak results. A break of this kind may be repaired by wrapping the pipe with soft wire for a couple of inches on each side of the leak and then tinning the whole over with solder. This not only cures the leak, but prevents further chafing.

## Use chains in wet weather.

# WHITE

Age is a relentless sifter of trucks. Only the best of them survive.

A White five-year-old is in its youth. A White ten-year-old is in its prime with earning power unimpaired.



THE WHITE COMPANY, Cleveland

Portland: Park and Couch Sts.

# TRUCKS

## NO EXPANSION PLANNED

GENERAL MOTORS NOT TO ADD TO ITS LINES, REPORT.

New Directors and Committeemen of Organization Named at New York Meeting.

NEW YORK, Feb. 12.—The General Motors corporation closed 1920 in a strong position with its inventories of unfinished materials substantially reduced, with its finances in good condition and comparatively few unsold vehicles on hand. It can be said with authority that the corporation does not contemplate any material expansion during the coming year, notwithstanding many reports now in circulation of consolidation with other companies. It is felt the company's factories now are adequate to meet the demand for some time to come and that nothing will be gained by taking on additional lines.

Efforts will be centered upon making all the various divisions as profitable as Chevrolet, Buick and Cadillac have been. There is a possibility that the company may abandon some of its activities not related to the automotive industry. It is understood the directors are not enthusiastic about retaining the big new Durant building in Detroit and they probably would not hesitate to sell it if an opportunity offered.

## At a meeting of the directors of the General Motors corporation last week the resignation was accepted of C. F. Kettering was elected a vice-president. A. H. Swayne was elected a director and vice-president.

The New York fire department is now completely motorized.

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The executive committee was designated as follows: P. S. Du Pont, chairman; J. J. Haskob, J. A. Haskell and A. P. Sloan Jr.

The resignation was accepted of F. W. Hoheness as a director, vice-president and member of the executive committee.

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