

# AUTO MEN RESTYLE MOTIVE OF CHANGE

## G.M. Officials View Problem as 'Challenge,' Not a Plan for Obsolescence

By JOSEPH C. INGRAHAM

Deadlines, Ralph Waldo Emerson and icebergs all have a metaphorical part in one of the most highly controversial aspects of the automobile industry—the annual model change.

According to top General Motors Corporation executives they all add up to “the challenge of change” that in the long view benefits manufacturers, customers, workers and, of course, the economy.

The subject came into sharp focus again last week when John F. Gordon, president and chief operating officer of G.M., defended the annual practice of restyling cars and other durable goods and contended that the policy, particularly as it applies to the automobile industry, was “widely misunderstood.”

### Redefines Term

He particularly took issue with the fact that the derogatory term “planned obsolescence,” has been applied to the annual model change. In Mr. Gordon's view it should be called “dynamic obsolescence,” for it has spurred the improvement of new cars, made millions of used cars available for those who cannot afford new vehicles and has provided “better jobs for more people.”

Mr. Gordon also retorted to critics who contend the practice is change for change's sake. “We obsolete our products by making them better—more appeal to the customer, and offer-

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ing greater economy and convenience through technological advance," he said.

The leading critic of the industry policy of yearly model change is George Romney, president of the American Motors Corporation, who advocates subtle and gradual improvements in construction and performance, with styling changes incidental.

Nevertheless, Mr. Romney conceded recently that the more expensive Ramblers would have to be restyled more often to keep up with the competition but that the company's lowest-priced line—Rambler American—would continue virtually unchanged for some years now that the 1961's have been updated. The Rambler American change, incidentally was the first in ten years.

Speaking to business leaders at a preview of the G. M. Motorama at the Waldorf Astoria Hotel, Mr. Gordon acknowledged that a "few cars succeed without changing models every year," implying that Rambler and Volkswagen, the two leading exponents of sameness, were the exceptions that proved the rule.

"Neither our industry or any other [hard goods] industry need apologize for dynamic obsolescence," Mr. Gordon said, "for it makes a substantial contribution to our economy and our customers."

## Cost Disputed

He also disputed critics who say the policy increases car prices. The G. M. president took the view that little or no annual change would cut sales volume and hence make each car more costly to manufacture. "The extra cost," he said, "would be sufficient to offset any saving resulting from not changing models. This could mean a saving of \$800,000,000, the industry's tool and die cost for its 1961 models."

The hundreds of beneath-the-surface changes incorporated each year in new cars are like an iceberg, Mr. Gordon said. "It is the sum of the unseen subsurface changes that bring the improved ride, the better performance, the greater reliability that we talk about in our advertising," he asserted.

Obsolescence starts with the "dreamers"—the design engineers and stylists—and the pressure on them to meet deadlines makes for progress, according to Herman F. Lehman, G. M.'s vice president in charge of the Frigidaire division. It is applicable to cars as it is to appliances and abandonment of calendar pressure and deadlines would mean deterioration that would work against the best interest of customer and business alike, he said.

## 'Joneses' View Upheld

Emerson and his "build-a-better mousetrap" philosophy was offered as a collective view by other G. M. executives who also took cognizance of the snob appeal value of change. Whetting customers' appetites for something new and emphasizing that they should "try and keep up with the Joneses" is really for the customers own good, they maintained.

Change may not be radical in every year but it adds up and that is what dynamic obsolescence really means, Mr. Gordon also said. "What would have happened," he asked rhetorically, "if all manufacturers had adopted the attitude expressed by the late Ransom E. Olds, father of the Oldsmobile, in a 1912 advertisement that said, 'My farewell car. I do not believe that a car materially better ever will be built.'"

"If that attitude had prevailed," Mr. Gordon said, "the horse still would be a serious competitor to what still would be our chugging roadsters and bouncing touring cars."