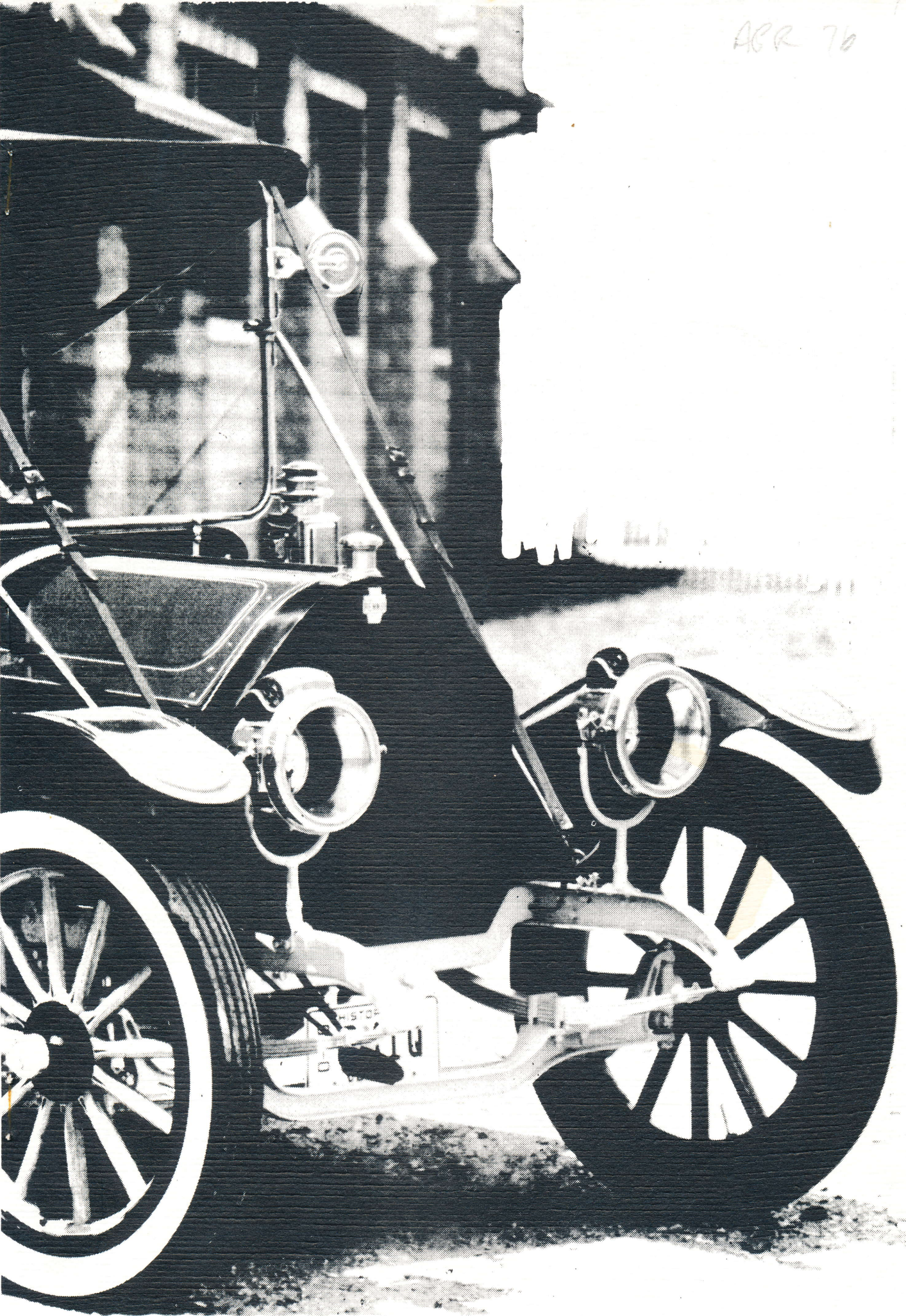




AGR 76

NORTH ALABAMA REGION NEWSLETTER



MEETING NOTICE April 22, 7:00 p.m. Above Bill Penny's Body Shop
Keller Car Presentation by Hurbert Mitchell

On Saturday, April 10, Don Hodge, Dan Shady and Kem Robertson made a trip over to visit Mr. Mitchell to talk about his Auto Company Experience and to see his Keller Car, one of two known to exist. From this meeting with Mr. Mitchell, we can promise a most entertaining meeting.

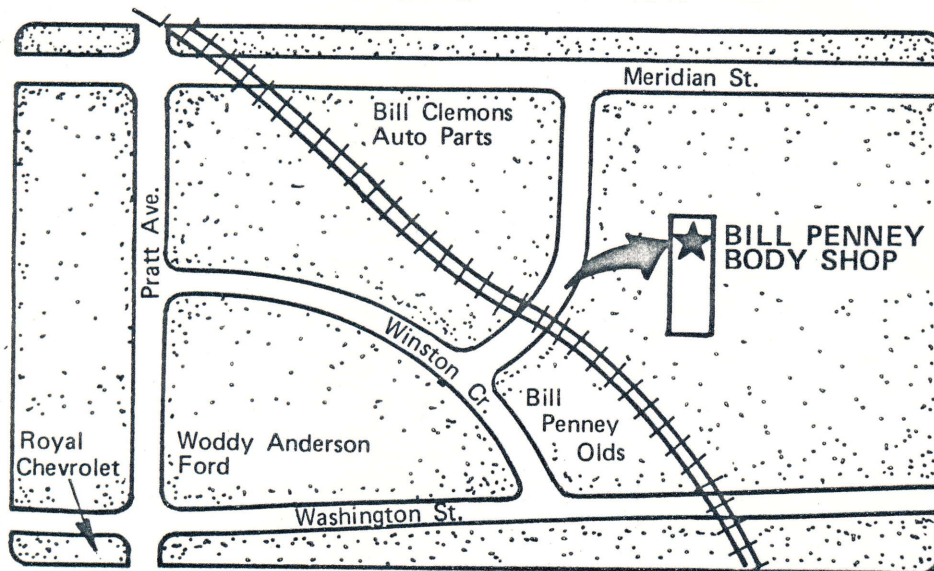
We urge everyone to attend!

This newsletter is on the Keller Car, and with permission from Special Interest Autos, we have copied this article. We suggest that everyone interested in better photo quality to buy this particular magazine. Mr. Mitchell will add to this information and also have a few corrections to the article.

For a copy write: Mr. Terry Ehrich
Publisher, Special Interest Autos
Box 196
Bennington, Vermont 05201

Ask for September-October 1976, Volume #30.

NOTICE: 1976 Roster can be picked up at this meeting.



FOR SALE

4-21" WIRE WHEELS + TIRES + HUBS FOR MODEL T #140.
COLUMBIA 2SPEED REAR END #125.

K.B. ROBERTSON
536-6960 AFTER 8:00 AT NIGHT
WILL TRADE ON PORCELAIN SIGNS
OR ALA. TAGS.

MARCH 25 MEETING NOTES

George Hodge opened the meeting and reminded everyone about the Keller Car talk to be given by Mr. Mitchell, one of the major owners of the Keller Car Company.

The 1976 Christmas Party was discussed.

Tour Binders, that the club still has, and are for sale for \$2.50 - These are good safety measures and promotion for the club.

George reminded everyone that Jim Beaver is in charge of the club tools (air compressor, paint gun, and small sand blaster) and everyone should make use of these. Jim is also in charge of the club name badges.

Carl Berry gave the treasurers report. As of March 25 we have \$717.18.

Kem Robertson asked for pictures and a small write-up on the member's cars or hobby experiences for the newsletter. (All pictures and write ups will be returned).

Ben Stevens told the club about the Ft. Lauderdale AACA meet, and it must have been a nice one.

Bob Thurstone announced the opening of the Newgent Home that was given to UAH and asked that the club have some cars there for their open house. Bob is also on the Board for the Huntsville Transportation Museum.

The business meeting was adjourned at Bill Penny's Body Shop and we all road over to George Fore's Restoration Shop for an informal tour through the shop and a very good question and answer period with George. George has quite an impressive shop. If you missed this meeting, you missed a good one. Very enjoyable George, Thank You!

NEW MEMBERS IN THE CLUB:

Noble Collins - 1929 Franklin Touring Car - an old member returned.
Tom German - 1927 Ford Touring - an old member returned.
Art Galzerono - 1936 Ford Roadster - an old member returned.
Gene King - 1947 Lincoln Cabriolet
Harlin Pratt - 1961 Corvette and 1957 Nomad - an old member
James Sanders - 1955 Triumph TR2
C. W. Huskins -
Lou Duckwall - 1931 Ford 4-door Sedan
Lester McAllister - 1917 Ford Touring and 1935 Ford 2-door Sedan
Dr. Christian - 1966 Morgan

NEW AUTOS:

Kal Purushotham - 1940 LaSalle Coupe
Bob Edgeton - 1965 Marlin
George Hodge - 1940 Olds Convertible

AMERICA'S MOST NEEDED CAR

In the spring of 1945, the hastening end of World War II brought chaos and disruption to the San Diego area. Returning servicemen vied for non-existent jobs at dozens of peace-ravaged companies which had made their livings from defense contracts. At the giant Consolidated Vultee aircraft plant, lay-offs and short hours replaced overtime seven day weeks. John Liefeld, a 32-year-old former Chrysler engineer who'd spent the war years at Convair, knew it was only a matter of days before he too would be let go. Anxious to get back into the automobile business, he began looking for a new job.

Liefeld's brother introduced him to a strange character he'd met in a bar, named S. A. Williams. Williams was basically a promoter, who had dabbled in dozens of money-making schemes. In 1945, he was making a handsome living by buying up poorly-managed restaurants, upgrading them and reselling at a profit. Williams thought he saw a rare opportunity for his talents in the hungry postwar car market, and had some vague notion of building his own small car.

He agreed to bankroll Liefeld in the production of a prototype minicar. They set up a small shop on India Street in San Diego, where Liefeld and a few friends from Convair began to construct a simple rear-engine Dodge'em car, powered by a 16 hp two-cylinder Briggs and Stratton engine. This was connected to the rear wheels through a rudimentary centrifugal clutch and chain arrangement. With a bulbous fiberglass body, the whole car weighed less than 600 lbs. Liefeld christened it the "Iron Monster," though officially, it was called the "Bobbi-Kar" after Williams' son.

It was painfully inadequate. Liefeld's group immediately began work on a successor, this time using a Hercules ZXB, the venerable 25 hp Four that found its way into many a postwar minicar prototype. Its dull powerplant and lumpy body notwithstanding, the Bobbi-Kar did incorporate some interesting technical features. It used an "X" frame tubular chassis, suspended by B.F. Goodrich's "torsilastic" suspension. (Very simply, the suspension consisted of a central steel core encased in a rubber cylinder encased in a steel shell. A trailing arm was attached to the outside shell, the inner steel connected to the chassis and the rubber acted as both spring and shock absorber.)

Automotive Industries commented, "The power application contains several innovations. The engine, flywheel, clutch and housing, transmission and differential (all of which were proprietary parts) have been combined into a single compact unit . . . suspended on three point rubber mountings between the side members of the frame. Propeller shafts extend from the differential to the driving spindles of the rear wheels. Each propeller shaft has two universal joints. By removing four bolts from the flange of each inner universal joint, and three engine mount bolts, it is possible to remove the entire power unit from the automobile in a matter of minutes."

Williams now showed his fantastic sales ability. He contacted the four major movie Newsreel studios—the mass market media in the pre-TV days of 1945—and managed to

get news clips about the Bobbi-Kar into all four. Newspapers picked the story up as well, and soon, according to Liefeld, people from all over the world started sending in money to buy Bobbi-Kars. On his lawyer's advice, Williams opened a separate bank account for these funds, holding them until such time as there were Bobbi-Kars to sell. But the overwhelming public reaction spurred him to bigger plans.

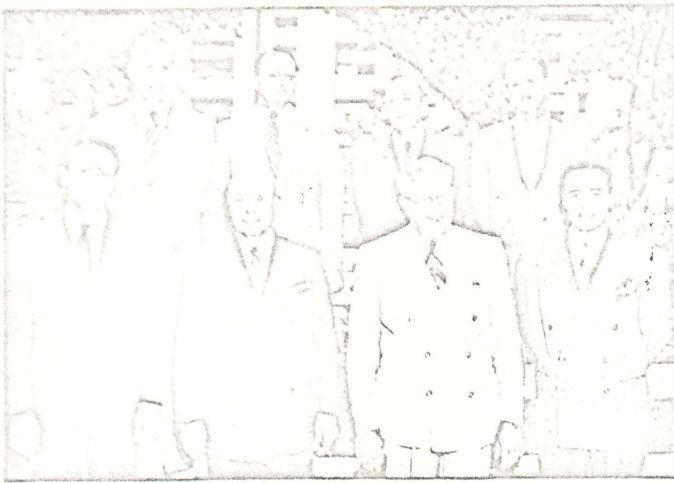
Solar Industries, another of San Diego's bankrupt defense contract companies, had a large plant for sale. Williams bought it late in 1945 for \$80,000, and installed Liefeld and staff in a small corner. Huge new signs plastered the outside, however, taking full advantage of Bobbi-Kar's impressive new home. But it wasn't big enough for Williams. Consolidated Vultee plant #2—the very building Liefeld and his friends had worked in throughout the war—was now lying empty. Williams leased it through the War Assets Administration and moved his still-tiny group into the administrative offices of the huge aircraft complex. Liefeld remembers in amazement that less than a year after he'd labored at Convair as merely one of hundreds of young engineers, he was back in the same building, installed in what had been the office of Major Fleet, the owner of Consolidated Vultee.

Leftover machinery lined the Convair plant, so Liefeld was instructed to make it look as if Bobbi-Kar was preparing to use it in the production of their new car. With this impressive establishment behind him, Williams started selling franchises for future "kars" to eager would-be dealers. His lawyer advised him that since the Bobbi-Kar agreement clearly specified that the franchise earned dealers the right to handle kars only "if and when" such kars were built, Williams had every right to be selling them. Some 800 investors took the plunge.

The California Commissioner of Corporations was not as sanguine as Williams' lawyer. Soon the SEC was also on his trail, greatly interested in his announced intention of selling unregistered stock. In the ensuing investigation, it was revealed that Williams had previously served prison time on another swindle. His operations in California were virtually shut down. Undaunted, Williams attempted to form another corporation under the lenient Delaware laws, but was unable to obtain a needed clearance from the State of California. Had this gone through, he intended to float a \$5.5-million stock issue. As it was, Bobbi-Kar was stuck between its creditors and the SEC.

Around the same time, in February, 1946, George Keller showed up in Liefeld's office. Keller was then in his mid-Fifties, a veteran of 28 years at Studebaker in South Bend. Vice-president of Sales, he had clashed with manager Ken Eliot over the question of distribution, and left the company. Ted Zenzinger, Keller's assistant at Studebaker, says "Keller was known as 'Big George.' He was extremely honest, and known throughout the industry as a dynamic salesman." Gene Hardig, the chief of Studebaker engineering at the same time, remembers Keller as "very well thought of at Studebaker, well liked and an aggressive salesman."

Keller had stalked out of Studebaker with not much more



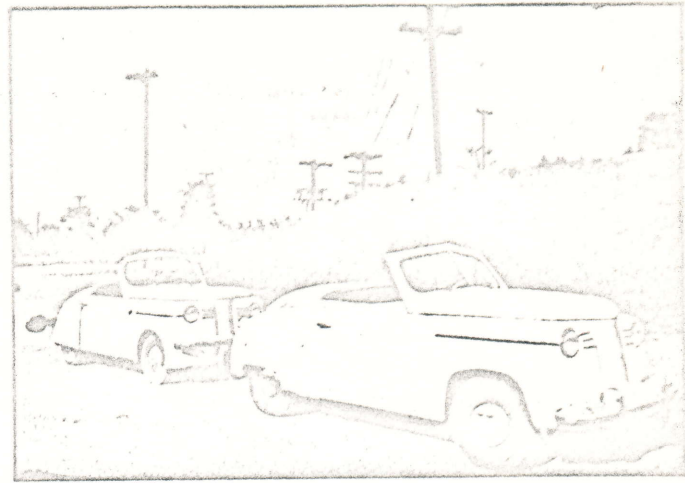
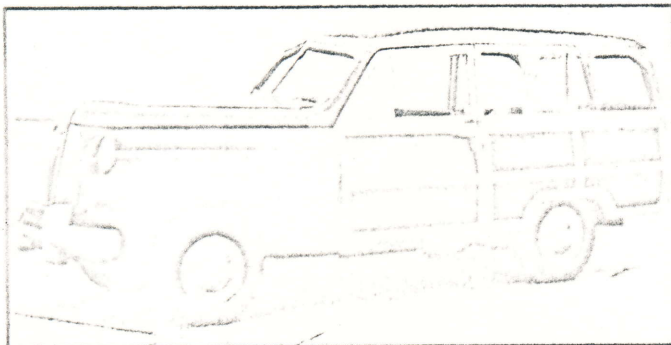
The Keller team: front row; sales v-p R. C. Gross, George Keller, production head J. D. Fisher, engineering v-p John Liefeld . . . back row; secretary Billy D. Mitchell, unknown head of franchise sales, attorney Harold Feigan, executive v-p Hubert Mitchell.

than an impressive list of contacts in the automobile industry and the shirt on his back. When he came to visit Liefeld, he was working as a salesman in his father-in-law's San Diego Buick agency. Ever since the late Thirties, however, Keller had been thinking about forming his own car company, and had often discussed with Zenzinger what he called "the ideal car for the poor man." His rationale was simple. The big car makers controlled the major market areas, but none was interested in trying to produce a really inexpensive car that was no more than basic transportation. Said Keller, "When you're bucking Detroit, you're bucking a stone wall." He dreamed of tunnelling under it at the low-price end.

Liefeld hired Keller as an advisor. Almost the same week, Williams let drop a news story that was picked up by many papers. Bobbi-Kar, he said, was looking for a new locale where they could build cars without interference. The Birmingham, Alabama Chamber of Commerce was trying to find industries to replace the now-closed Huntsville Arsenal and Bechtel-McCone Aircraft Corporation, which between them had furloughed thousands of Northern Alabama workers. A representative flew out to talk to Williams, and Williams then flew back to Alabama. Within the week, Liefeld received a telegram which said simply, "Put everything on a flat car."

George Keller had now begun to challenge Williams for control of the company. Keller later wrote that "the investigation of the Alabama facilities was made quickly—overnight as it were—and an immediate decision was made to move everything to Birmingham. Williams reported back to the San Diego newspapers that he was making the move because he had located better plant property, and besides, it was easier to

The first wagon was also technically a Bobbi-Kar, notice the smooth front styling and grille hidden behind bumper.



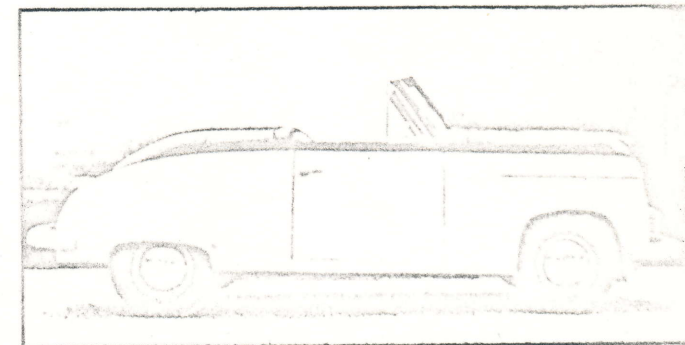
The first real Bobbi-Kar leads the "Iron monster," a much smaller Briggs and Stratton-powered prototype from 1945.

sell stock in Alabama than in California. Nothing could be more absurd. Except that Williams, without any automobile experience, could determine whether or not the Bechtel-McCone buildings were suitable for the production of Bobbi-Kars . . . but since Williams was the sole owner, other employees were powerless to do anything but move according to his wishes, right or wrong."

Williams' prison record followed him to Alabama, and he was told that he could never be a director or officer of any Alabama corporation. By now, in addition to Keller, Liefeld and his handful of former Consolidated Vultee engineers who had been with the company right along were ready for a change. According to Keller, "There were a lot of other members of this organization besides Williams who had given freely of their time and effort for very little financial gain, and who were more responsible for the product than Williams—who was neither an engineer nor a designer . . . nor does he have any background of automotive experience."

Keller and his Bobbi-Kar mutineers were ready to join up with anyone who could pay the freight until Bobbi-Kar production could begin. On September 13, 1946, Bobbi-Kar of Alabama was established. The entire California company's assets were transferred to the new corporation, in exchange for capital stock. The two Bobbi-Kar companies between 1945 and 1947, collected some \$292,677.50 for dealer franchises, \$126,599.50 as loans from prospective distributors and customer deposits totalling \$38,125.00. According to a later stock prospectus, "all these funds were expended in connection with the development and promotion of an automobile and a dealer organization."

The first Keller was a reworked Bobbi-Kar convertible; it was a luxurious Super Chief. No standard Chiefs were ever built.



At this point, however, Williams was still in control. But in March, 1947, a group of Alabama investors succeeded in making Williams an offer he couldn't refuse. (He subsequently returned to Southern California and was involved in two similar small car schemes, the Towne Shopper and the Elektrakar. Later still, he was reportedly convicted for his part in a nationwide ring that distributed counterfeit \$20 bills.)

The confederates now owned Bobbi-Kar of Alabama, one and the same company as Bobbi-Kar of California. But this presented a problem, for the new owners weren't sure they wanted to inherit the 800 franchise dealers—many of them less than solid representatives—that Williams had assembled. Accordingly, on July 8, 1947, the Dixie Motor Car Corporation was founded to take over the assets of Bobbi-Kar for \$30,000 in cash and a promise to pay back the \$38,500 received for customer deposits on never-delivered Bobbi-Kars. Most of the corporate officers of the two companies were the same, but the dealers had been neatly cut off.

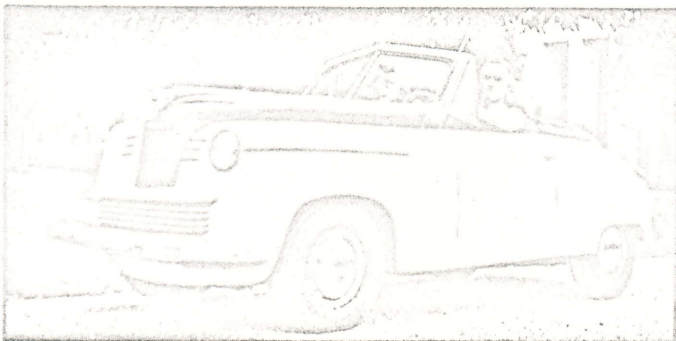
The pocketbook behind this takeover was Hubert Mitchell, a wheeler-dealer from Hartselle, Alabama with at least as much promotional experience as Williams. As a boy, he built an airplane which he successfully flew . . . having never before seen a real plane, only photographs. He later ran everything from a small-town airport to a roadside cafe, a string of movie theatres to a theatrical agency. In the late Thirties, he claimed to have found the outlaw Jesse James in prison, obtained his release and booked the 90-year-old desperado into a string of Deep South grits circuit theatres. At the time he acquired the Bobbi-Kar, he operated the world's largest theatrical supply house and a failing furniture factory he'd bought for the war.

It was the furniture factory that got him interested in cars. According to Mitchell, "I'd been making seats and upholstery for light aircraft. During the war, the government requisitioned all civilian planes and converted them for military use. They threw away the original seats, and I had contracts to build replacements in my old factory. The manufacturers of the Globe Swiftner light aircraft, for example, had \$100,000 worth of seats on order when the war ended. They went out of business in 1946, and I was stuck with the seats. I was looking around for something else to do with them."

Mitchell had ninety employees and a 40,000 square foot factory. Acting on a tip from the Chamber of Commerce, he went down to the Betchtel-McCone plant that Bobbi-Kar had taken over and spoke to George Keller. At that point, Keller, with almost no funds, some 40 employees and an absurdly large 735,000 square foot aircraft factory, was trying to hold things together long enough to attract investors.

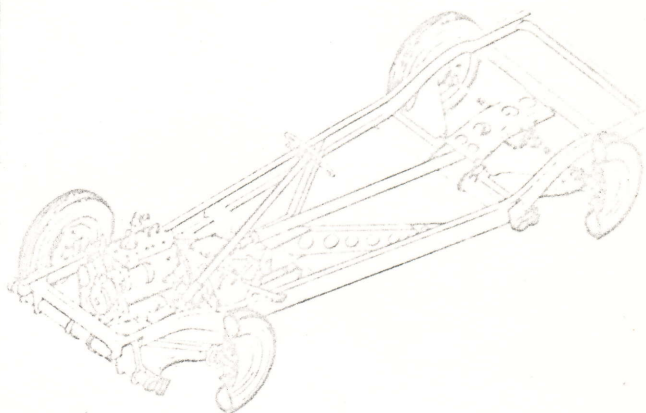
"At first," says Mitchell, "I was only interested in their car as a place to sell my surplus seats, but George showed me how easily I could buy the whole thing. These people were desper-

Bobbi-Kars became Kellers with the addition of a new chrome grille, minor trim changes and a two-tone paint job.



The Put-Together Kar

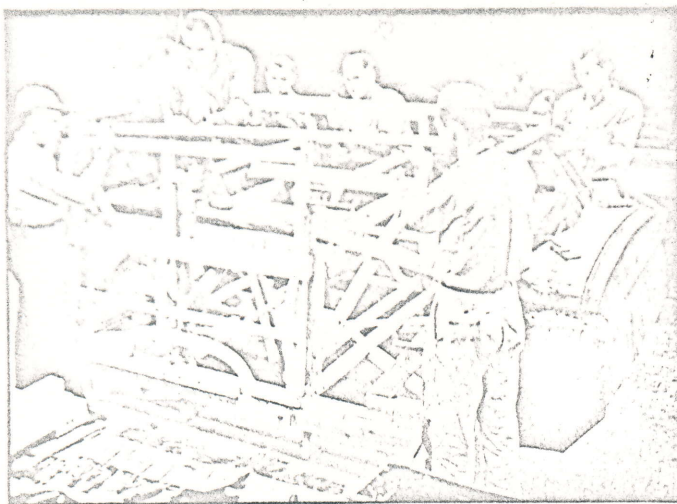
According to the late Tom McCahill, "The Keller offers a lot more dollar-for-dollar value than many cars selling for twice as much. But the Keller company faces a tough fight in getting these cars over to the American public. I for one hope they succeed. Lack of competition in the automobile business is a very unhealthy condition for the consumer. And I do mean 'high prices.'"



As usual, Uncle Tom hit it right on the head. He correctly pointed out in the same April, 1948 road test that Keller's use of proprietary parts was one of the smartest moves they could make. Tom said all the parts were available from coast to coast; for example, the transmission was the same used on a '41 Studebaker, the generator the same as a 1940 Hudson, the wheels the same as Crosley. "The same goes," McCahill said, "for just about every other part of the Keller assembly."

All Keller components were from major industry suppliers—Ross steering, Wagner brakes, Carter carburetor, Continental engine. The economy of such a plan was obvious. Says John Liefeld, "the door mechanisms would have required \$1.5-million in tooling. Using parts from a Chrysler, they cost \$1.50 each." The list of standardized parts included everything right down to body hardware, instruments and suspension parts. The only things Keller made were the wooden wagon bodies and the seats. Even the body stampings—pounded out on Kirksite dies—were intended to be supplied from outside.

Aside from being economical, this aggregate method of construction also ensured that all Keller parts were well proven. Some 230,000 miles of testing were covered by pilot models handbuilt in Huntsville, and the only changes made were to larger, more available 5.50x15 tires in place of the original 6.00x12s. Even the sometimes temperamental Continental engines (Bobbi-Kars used Hercules, but these were unreliable) gave perfect service. Hubert Mitchell has put over 150,000 miles on his remaining wagon—including four years in which his teenage daughter took it to college—and yet it seems as solid and reliable as many younger cars of more distinguished lineage. Unlike the Tucker or Davis, the Bobbi-Kar/Keller was deliberately planned to be as mechanically mundane as possible, as befit a transportation car intended to sell for considerably less than \$1000. Interestingly, virtually every major supplier in the industry seems to have been not only willing to deal with the neophyte company, but happy to help.—Rich Taylor

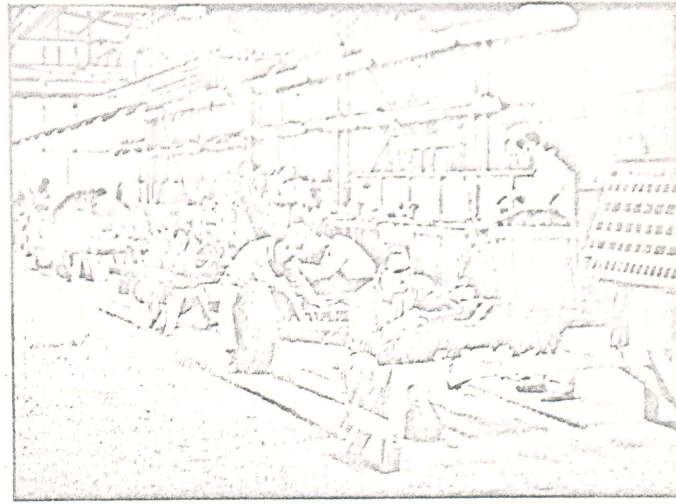


Screwdrivers and C-clamps were enough to build station wagon bodies in the huge Huntsville plant. Some 18 were finished.

ate. They didn't even have the money to leave Alabama. I had to personally loan Keller money to *live* on. These people were innocent victims. They were car people, and they were interested in staying in the industry they'd been raised in. When Bobbi-Kar declared bankruptcy, I decided to help.

"Keller wanted to call it the Mitchell Motor Corporation. 'Hell,' I said, 'You're the man. We'll use your name.' Dixie Motor Car was only an interim thing, and we quickly sold out to the new Keller Motors Corporation. The Bobbi-Kar had had some bad publicity with potential stockholders, so we thought we'd better change the name."

Keller Motors was incorporated in Delaware on November 25, 1947. Keller was the president, Mitchell executive vice-president. They controlled a majority of the stock. Keller Motors acquired (for \$90,000) the assets of Dixie Motor Car, which included the 25 hp prototype Bobbi-Kar that Liefeld had constructed long ago in San Diego, a second roadster and a more conventional front-engine woodie station wagon, powered by a 49 hp Continental powerplant. There were also two chassis, one front-engine, one rear. Mitchell determined to get the company rolling as quickly as possible, for as he says, "During that time I was subsidizing the whole crew. Keller



Continental-powered chassis were assembled entirely from proprietary parts, only the frame rails were Keller-built.

included. I loaned them money until we started selling stock.

Early in 1948, Mitchell and Keller took the station wagon, a roadster and the rear-engine to New York. They rented the lobby of the Pennsylvania Hotel, and distributed a barrage of press releases and brochures prepared by an advertising agency run by friends of Keller's in New York. Said Buchanan & Company, "The Keller is America's most needed car in size, performance and price." The copy then dwelled on George Keller's 28 successful years in the automobile industry, making him out to be Walter Chrysler, Charlie Nash and the Dodge Brothers all in one. The flamboyant copy was all in the service of drumming up interest in the "new" car, and resultant sale of dealer franchises. In many ways, it was Bobbi-Kar of California all over again.

The times were still ripe for that sort of scheme. Detroit wasn't taking any new dealerships in 1948, since the factories couldn't keep their current dealers supplied. But not only were there legions of people ready to pay inflated postwar prices for new cars, there were hundreds too, with money saved throughout the war, ready to enter the automobile business. To these people, even the unassuming little Keller looked like the ticket of admission to the Big Time.

Dealer franchise agreement was simple, traded right to handle cars for cash.

Dealership application was not too inquisitive, asked for only basics.

Keller disclaimer was the longest part of either form, withheld any liability.

KELLER MOTORS CORPORATION
CHIEF AND SUPER CHIEF
DEALER FRANCHISE AGREEMENT

THIS AGREEMENT was made in duplicate this _____ day of _____ 19____ at _____, Minnesota.
by and between **KELLER MOTORS CORPORATION**, a Minnesota Corporation, with its principal place of business at _____, Minnesota (hereinafter called "Company"), and _____

of _____

A Corporation organized under the laws of _____

For the purpose of _____

An Individual _____

States of Corporation Officers, Partners or Proprietors _____

(hereinafter called "Dealer"),

WITNESSETH:

in consideration of the stated covenants hereinafter contained, it is agreed as follows:

1. That the Company hereby agrees to sell and Dealer agrees to purchase a Dealer Franchise which will enable Dealer to conduct a place of business and the purchase of selling and _____ used **CHIEF AND SUPER CHIEF** Motor Vehicles, of any and all accessories and for the Company in the _____ territory hereby and its subsidiaries.

2. Dealer agrees to pay to the Company at the time this agreement is executed the sum of _____

as well as full payment of the purchase price of the above-specified Franchise. Dealer agrees that said sum is the full purchase price of said Franchise and that it has no claim for the return of all or any part of the sum paid and shall not be reimbursed in any way for the sum paid on it.

3. Dealer's term of lease for the motor motor cars for the territory specified in Paragraph One (1) above is hereby contemplated as _____

but the first five years from the date of the delivery of the first Motor Vehicle under this Agreement. The Company

KELLER MOTORS CORPORATION

Application for CHIEF and SUPER CHIEF Dealership

PERSONAL INFORMATION:

Full Name _____ Date _____
(Last, Address _____ Phone Number _____)
Last Previous Address _____
Married _____ Age _____ Condition of Health _____
Care not mention addresses of three personal references _____

* * *

BUSINESS FACILITIES AND INFORMATION:

Form Name _____
Address _____

* * *

Business Development to Your Use

LOCATION	YES	YES, SOMEHOW	NEVER	NEVER
How many persons do you employ at the present time?				
What value would new car do you intend to buy?				
What value is your car? (If "N/A" _____)				
Could the income and expenditure of this business derive or substantially derive from your existing business?				

FINANCIAL DATA:

Do you own the Bank you do business with in _____
Is your opinion do you have sufficient working capital to properly maintain the proposed dealership? _____
Is your income reporting higher or lower than your _____
List the income and expenditure of this business from or substantially from which you conduct business _____

TERMINATIVE DEALERSHIP PROPOSALS:

Have the opportunity to trade with in which you wish to establish your Dealership _____
Do you have an authorized establishment in this area? _____
If not, do you wish to establish an authorized company? (indicate) _____
If you have been closed out of a Dealership, indicate in what territory you wish to establish? _____
List the location of territory where you can successfully handle your strength your Dealership _____
Have you terminated a former dealership with time agreement? _____

Signature of Applicant _____

[illegible]



Hammer, anvil and leftover Bobbi-Kar buck give an idea of assembly line; it moved slowly . . . one car per month.

The ticket wasn't even very expensive. Mitchell and his Alabama sales force took franchise orders on a city by city basis. In fact, deposits were often taken from a number of people for the same territory. "That way," says Mitchell, "we could choose the best potential dealer. Of course, we returned the deposits to the rest." According to Mitchell, "We didn't know how well we could sell franchises, but cars were hard to come by and the people appeared willing to pay."

Keller Motors took in over \$450,000 on their first ten-day trip to New York. As Mitchell recalls, "We wanted seven dollars per car. For an area that we figured would accept a thousand cars a year, we'd ask for \$35,000 for a five year contract." Franchise fees, at first, were a fraction of that amount. Andy Pappas of Shreveport, Louisiana, for example, says he paid only \$20,000 for the right to sell Kellers in twenty Louisiana parishes. He, in turn sold the rights to some of these counties to other individuals for \$1000 per parish. But this was early in the Keller story. As the franchise scheme succeeded, the potential of each territory was deemed greater, and the price rose accordingly.

Following the astounding New York success, Mitchell and Keller began showing the cars all around the country. The roadster, station wagon and chassis were shown in hotel lobbies, civic centers, trade fairs—anywhere an audience might form. From Baltimore to Davenport, Milwaukee to Los Angeles, Mitchell and Keller barnstormed the country with their prototypes throughout 1948. Although the publicity releases promised production cars "in four or five months" at a retail price of \$848, Keller Motors was a long way away from actually making cars.

A great deal of the franchise money was spent on development of Liefeld's original design. Along with the huge plant in the Huntsville Arsenal that Williams had first leased and Keller now staffed with a skeleton crew, another office was opened in Detroit, close to the center of the auto industry. Keller was unsure about Liefeld's design, and demanded that friends of his—qualified engineers from Chrysler, Packard and Studebaker—should look over every aspect of the prototypes. In addition, since the Bobbi-Kar—and hence the Keller—had been deliberately designed to use as many proprietary parts as possible, it made good sense to have a Detroit office in direct contact with the suppliers, most of whom were clustered around the Big Three.

Liefeld soon had a staff of nearly 70 designers, engineers and purchasing agents on the payroll. According to him, in



Finished Super Chief wagon is inspected in a Chicago Buick dealer's showroom; note that trim is unique to this car.

the aftermath of the unfavorable publicity that swirled around the Tucker, Davis and Playboy stock schemes, the SEC kept a close watch on Keller Motors. In order to prove that the company did in fact intend to make cars, Liefeld was required to obtain quadruplicate copies of all design drawings, purchase orders and letters of commitment from suppliers, noting exactly what parts, how many and when they would supply these items to Keller. The actual design of the car was changed very little over the years except that the rear-engine roadster was dropped in favor of a conventional convertible to go along with the station wagon as to better use proprietary parts.

According to Liefeld, they received a lot of help from major industry figures, mostly through Keller's contacts. But the Detroit firms, he says, "were definitely not interested in getting into the small car business. They told us in effect, 'there is a market for a small car, but it is a limited market, and we don't want to touch it unless we're absolutely forced to. We think a small company like yours is the right company to do this and we'll do all we can to help.'"

Keller's contacts soon gave their approval to Liefeld's straightforward design. The car, it seems, was deemed acceptable. The franchise dealer network, too, was rapidly becoming a reality. The real problem—and the principal cause of delay—was the need for some \$5-million to pay for production tooling and initial supply of parts. A common stock sale was the only solution. The father of Keller's account executive at Buchanan & Company was the head of Allen and Co., a major stockbroker. He agreed to handle the stock sale, but in turn, subcontracted with Greenfield, Lax & Co.—an affiliate of Lehman Brothers—to sell the \$5-million worth of stock.

"For a period of two and a half years," says Liefeld, "we were on the defensive with the SEC. Playboy, Tucker and Davis all had indictments against them. Keller was the only company that—throughout the period—stayed clean. After \$130,000 in attorney's fees, the SEC said in effect, 'we're awfully sorry, fellows, you're clean as a whistle.'"

When the final approval was granted, Greenfield, Lax wasted no time in issuing an extremely detailed prospectus. Dated September, 1949, this document indicates that Keller Motors had spent some \$1.25-million, divided equally between promotional expenses, design and development and the establishment of some 1523 dealer outlets (the final number of dealers signed up was 1689). In typically-guarded stock prospectus language, the firm indicated that while it had made substantial progress in development, it did not "represent or



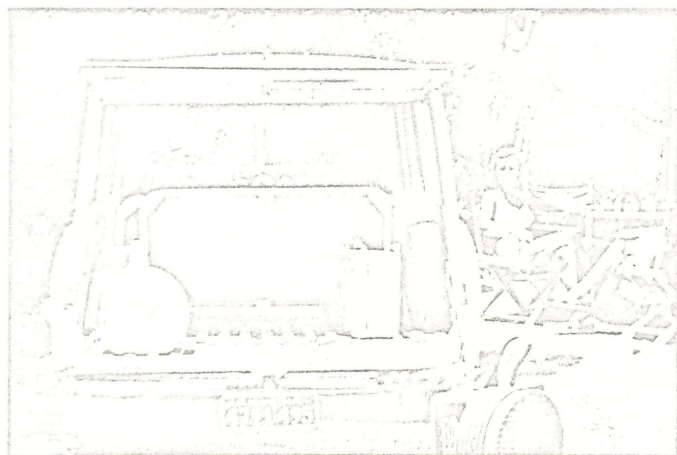
Hubert Mitchell, now a theatrical engineer and consultant, and his Keller—one of at least four that survive.



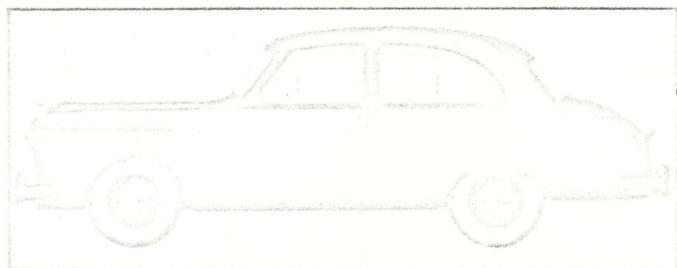
Wood-bodied interior is surprisingly pleasant, shows careful but simple workmanship.



Controls are equally basic, all except seats were borrowed from other makes.



Publicity shot was taken in the grounds of Hollywood hotel in 1948, shows surprisingly capacious wagon interior.



Never built, doughty sedan was planned by Keller's Belgian distributor, advertised as "the car of the year."

infer that it has solved the principal problems of the business in which it intends to engage." Recognizing "the development and improvement of an automobile is a process of almost continual change," the corporation modestly admitted that "the final model of the completely designed American automobile has not yet been manufactured, and we do not undertake to do so."

A further disclaimer warned the unwary that "the Keller Motors Corporation does not represent or infer that it will attain commercial production of automobiles (but will put forth its best efforts to do so) or realize collection on sold notes as the future is unknown." Throughout the prospectus—as on every dealer franchise agreement and application form—it was stated very clearly that no money would be refunded should the corporation's efforts fail and no cars be sold. This scarcely seems to have deterred investors.

In the prospectus, Keller's rationale for concentrating on a compact woodie station wagon was elaborated in detail. They argued that the population shift towards the suburbs would guarantee an expanding market for station wagons, a true enough assumption as it turned out. The prospectus pointed out that 110,000 station wagons had been sold in the U.S. in 1948. Keller scheduled production for 16,000 its first year. If this first hurdle could be overcome, they intended to produce 72,000 cars per year . . . capturing a whopping three-quarters of the existing market.

More realistically, the prospectus did explain that prices of competitors' station wagons were often higher than the sedans upon which they were based. Since Keller planned to concentrate primarily on the construction of station wagons—and small ones at that—their price could be substantially lower. Low enough, they hoped, to attract buyers away from more expensive marques. Keller did admit, however, that such a plan was ambitious, and since low-price competitors (notably Plymouth and Dodge) had already introduced all-steel wagons, this might constitute real competition which "could adversely affect the company's position."

Actually, building the Keller bodies of wood solved a number of problems. Wood bodies meant that expensive tools and dies would not be needed. Cheap Alabama labor could screw and glue together all the bodies that Keller might use. In addition, of course, Hubert Mitchell already had his rather inadequate wood working plant that he was only too ready to unload on the corporation. At the same time he was supporting the members of the company with personal loans, he sold his furniture factory to the corporation for nearly three times its assessed valuation, a fact brought out only later.

Of course, by late 1949, when the stock prospectus was issued, the wood-bodied station wagon was already an anachronism. Wood bodies needed careful upkeep, they were slow to produce—requiring much hand labor—and they were prone to rot, squeak and sag. For Keller, the woodie was an acceptable short term answer in order to quickly get into production, but disastrously limited in the long run.

And seemingly, Keller had no ideas for subsequent models. No plans, prototypes or even sketches were made for the cars that would necessarily have had to follow the station wagon in succeeding years. If anything, the Keller line was shrinking. George Keller himself never believed in the roadster—with engine in front or rear—and although the sales team continued to show it in hotel lobbies across the nation, it had privately been dropped from production plans.

On June 30, 1949, Liefeld closed the Detroit design office and moved back to Huntsville. Although he stated that all was in readiness to begin production, at the time of the stock

by George D. Keller
 president, Keller Motors Corporation...
 28-year automotive veteran...
 former executive of one of the foremost
 automobile manufacturing companies

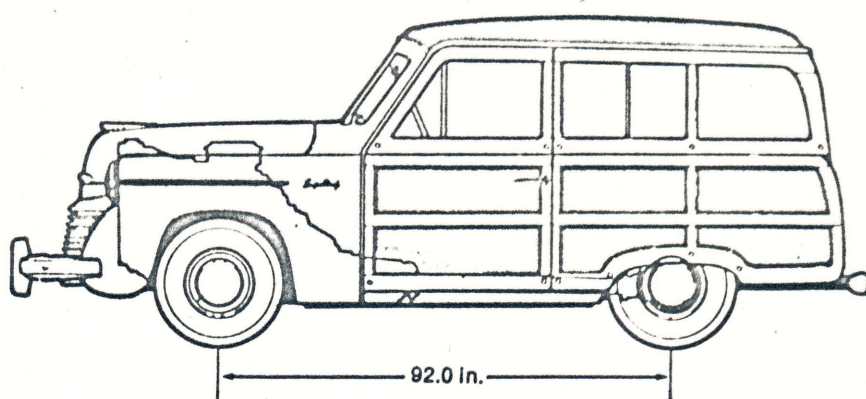
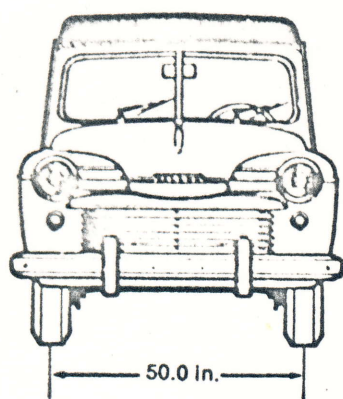
America's most needed car in size, performance and price.

gan, in 1946 when Keller joined them, even as late as 1947 and '48 while they dithered with the SEC, the homely little wagon built of proprietary parts might have sold long and well enough to get them started in the car business. In those years the competition was still selling pre-war designs, and the assembly lines could not move fast enough to fill the demand. But by 1949, real postwar competition had appeared, and the Keller stood revealed as an ungainly little anachronism, hopelessly outmoded.

The Keller organization was never too strong. They had few experienced car people. They had no future plans. They had a weak dealer network, largely composed of amateur speculators hoping to turn a quick buck in the car-hungry postwar period. And too, the Keller staff foolishly acted like nouveau riche heirs, riding in corporate Cadillacs and Buicks, crisscrossing the country to attend expensive openings, maintaining hundreds of employees in three different locations—all to produce 18 prototypes of a car that had been mostly designed before Keller Motors, per se, existed. Although they had taken in nearly \$2-million in dealer franchise fees, Keller went under with little more than \$10,000 in the coffers. Indeed, finances were so tight that at the end, the Hotel Buckingham in New York was forced to sell off a station wagon prototype that had been displayed in its lobby in order to cover Keller's outstanding bills.

If anything was wrong with Keller Motors, it was an all-too-familiar combination of inexperience, poor timing and overambition. Keller was certainly no different from many others who ached to build their own automotive empires in the fair spring days that followed close behind the cold years of war. Indeed, George Keller had more hope of accomplishing his goal than most, though he was never in the same league with Henry Kaiser and Joe Frazer, and they too were unsuccessful. But Keller could not lead his inept confederates to success merely by strength of will. And without him, it seems, they were nothing. Perhaps indeed, the stockbrokers' assessment was right after all. "*Le Patron est mort, la voiture est morte aussi.*" ☞

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Russell von Sauters, The Graphic Automobile Studio



1948 KELLER SUPER CHIEF STATION WAGON

Price when new: \$1245.00 fob Huntsville, Alabama
Current valuation: *Excellent*; \$3000.00 *Good*; \$2000.00

ENGINE

Type	Inline-4, L-head, watercooled, cast iron block and head, 3 main bearings
Bore and stroke	3.435 x 4.375 in.
Displacement	162.0 cu. in.
Max. bhp @ rpm	58 @ 3600
Max. torque @ rpm	90 @ 2000
Compression ratio	7.0:1
Induction system	1-bbl. Carter downdraft carburetor
Exhaust system	Cast iron manifold, single exhaust
Electrical system	6-volt, 100 amp-hour battery, coil

TRANSMISSION

Type	3-speed manual, column shift
Ratios	1st: 2.60 2nd: 1.63 3rd: 1.00 Rev: 3.53

DIFFERENTIAL

Type	Hypoid final drive
Ratio	4.10:1
Drive axles	Semi-floating

STEERING

Type	Cam and lever
Turns lock to lock	4.0
Ratio	17.5:1
Turn circle	30.0 feet

BRAKES

Type	Wagner four-wheel, hydraulically-operated cast iron drums
Diameter	9.0 in.
Lining area	226.3 sq. in.

CHASSIS AND BODY

Frame	Channel section steel, double drop side rails, 2 cross members and central "X" member
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Body construction
Body style

Wood and steel
Four-door, 5-passenger front-engine, rear-wheel-drive Station Wagon

SUSPENSION

Front	Ind. single trailing arms, B. F. Goodrich "Torsilastic" springs
Rear	Rigid axle, semi-elliptic leaf springs, tubular hydraulic shock absorbers
Tires	5.50 x 15, 4 ply
Wheels	5.0 x 15, stamped steel, 5-bolt

WEIGHTS AND MEASURES

Wheelbase	92.0 in.
Overall length	167.0 in.
Overall height	60.0 in.
Overall width	63.5 in.
Front tread	50.0 in.
Rear tread	50.0 in.
Ground clearance	8.5 in.
Dry weight	2250.0 lbs.

CAPACITIES

Crankcase	4.0 qts.
Cooling system	10.0 qts.
Fuel tank	14.0 gal.

PERFORMANCE

Acceleration:	
0-30 mph	5.8 sec.
0-40 mph	11.0 sec.
0-50 mph	17.8 sec.
0-60 mph	25.4 sec.
0-70 mph	34.3 sec.
Standing 1/4-mile	24.2 sec. at 58.5 mph
Top speed	75 mph

FUEL CONSUMPTION

City driving	23-25 mpg
Highway driving	27-29 mpg

DENNIS MC CANN
2621 ROCKWELL RD
HUNTSVILLE AL 35810

MIDNIGHT

1. The first step is to identify the problem. In this case, the problem is that the user is having trouble with the "X" button. The user has tried to click the button, but it does not seem to be working. The user is asking for help to figure out what is going wrong.

