

CHAPTER FOUR - SURFING THE BOARD

It was Frederick York Wolseley who realized that the best way to shear the 35 million sheep in New South Wales in 1880, was not with a hand clippers. Wolseley was an Irishman from County Dublin. He had emigrated to Australia in 1854, aged seventeen, his prosperous father having died some years before leaving a large family in dire straits.

Wolseley became the manager of a sheep station near Denliquin, and over a period started to develop mechanical sheep shearing machines. Eventually, in 1887, with patents in hand, he was able to found the Sydney-based Wolseley Sheep Shearing Machine Company Limited and that is how his career impacts, although peripherally, on that of Leonard Lord.

Herbert Austin was born in 1866 at Little Missenden in Buckinghamshire. The son of a farmer, the family moved to Yorkshire in 1870 and it was there the youngster grew up. After a couple of failed career attempts, an uncle visited from Australia and, lured by tales of sun, sand and adventure, Herbert, aged 18, emigrated to Melbourne. There a career in engineering did take off and after a series of jobs he ended up managing a small company.

The trouble with Frederick York Wolseley's sheep shearing machine was it did not work very well, although he was using a number of parts made in the works where Austin was employed. However, the young Herbert made suggestions for improvements and modifications that were so beneficial that Wolseley himself took him on. Soon afterwards the sheep shearing company was sold. The new owners established a branch in Birmingham and, in 1893, Austin was asked to return to the UK and run the outlet. He was now steered towards the business strategy that was directly opposite to that of William Morris.

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Just as in Australia, the British-made shearing machines were plagued by poor quality, bought-in, components. So much so that, although the business was in financial difficulty, Austin scrapped the parts in stock and the work in progress, and even bought back faulty machines already in customers' hands. He resolved to make practically everything in-house. While this was being organized, and before the improved product could be re-launched, there was a hiatus and, to keep the Alma Street factory busy, machine tools, equipment for the cotton industry, cycle parts and even complete bicycles were made.

Austin, though, was growing increasingly interested in the embryonic motor car. Around 1895 he visited Paris to acquaint himself with Continental automobile practice. He was impressed by the Léon Bollée tri-car and its twin cylinder horizontally opposed engine and when he returned to Birmingham he persuaded Wolseley to allow him to build two similar cars. Shortly afterwards he experimented, fairly unsuccessfully, with a design largely of his own. The consensus now is this tri-car post-dates the Wolseleys whereas previously it was thought to pre-date them.

In 1901 The Wolseley Sheep Shearing Machine Company decided to divest itself of the car manufacturing business that had developed and it passed to arms maker Vickers Sons and Maxim Ltd as the Wolseley Tool and Motor Car Company, with Austin as general manager and works in Adderley Park, Birmingham. Despite healthy sales of the horizontal engined cars the financial performance was chequered. In 1902 J D Siddeley (who became Lord Kenilworth) and Lionel de Rothschild approached Vickers for support in building a car that followed more closely the trends of the day – a vertical engine and torque tube, instead of chain, final drive.

The Siddeley Autocar Company was established in Crayford, Kent, on a Vickers site. The car appeared in January 1903, was an instant success and as a result the parent company told Wolseley to take over the operation with Siddeley as their sales manager.

Not surprisingly, this was not to Herbert Austin's liking. He still seemed tethered to the horizontal engine - or pretended to be. In truth he was performing some behind-the-scenes manoeuvring that involved Wolseley luminaries, A V Davidge and A J Hancock, who, many years later, we spotted in the library at Lickey Grange. He persuaded them to leave Wolseley and they moved into a spare room at Austin's home in the Birmingham suburb of Eardington and there began to work on an Austin design for a vertically engined car. Soon after Austin himself left Wolseley and joined them.

Meanwhile, Austin and his wife, Helen, picnic in basket, found, one Saturday afternoon in the village of Longbridge, eight miles west of Birmingham, the vacant, fire damaged, works of White and Pike, who had specialized in printing on sheet metal. Austin acquired the property and some adjoining land. There they could manufacture his car. Thus, at the very end of 1905, The Austin Motor Company was founded. In April the following year 'number one' roared from the old 'printing' works.

Meanwhile, Wolseley motored on. The name Siddeley was left off the cars from about 1910. During WWI they built a variety of aero engines including the fine V8 Hispano-Suiza and it is probable this experience led to the development of a range of excellent post-war automobiles ranging from 10 to 20 horsepower. Some had overhead camshaft engines and a rear transaxle (gearbox and differential combined).

As with many others, the company's downfall came in the financially desperate years of the mid-'20s.

Wolseley had entered the period with their machinery worn out by war work. Yet they were optimistic. The plan was to exploit the luxury car market and also take a share at the bottom end with a subsidiary, the Stellite company, making a ten horsepower car branded with that name.

To this end Adderley Park, considerably extended anyway during WWI, was refurbished, as was a factory owned by Vickers on Drews Lane in the Ward End area of Birmingham. It had been used in the war by the Electric and Ordnance Accessories Company Limited to make fuses and shell cases. The 'icing on the cake' was extravagant new showrooms on London's fashionable Piccadilly. The debt and borrowing was already enormous and the underlying truth was that Wolseley was bankrupting itself, especially as a result of establishing 'Ward End'.

Then they went racing at Brooklands while their keynote six cylinder model, the 16/45, or 'Silent Six', stalled on the marketing grid as potential customers felt duped when they found it wasn't actually '*silent*'. The crunch would finally come on November 1, 1926, when Wolseley Motors Limited was declared insolvent with liabilities of £2,000,000. But prior to that the failing company had its attractions, not least for all that impressively equipped work space. Herbert Austin, who, having worked at Adderley Park knew it well, realised this and in May 1924 proposed he, Morris and Wolseley merged.

Morris did not like the idea. He felt he would lose command and, with chilling prescience, said: '*the organization would be so great that it would be difficult to control and might tend to strangle itself*'. William Morris preferred to take Wolseley on his own terms. It was worth having for the plant, as Austin had appreciated; for its reputation, for the six cylinder engine, for its extensive dealer network, and because it might provide an entrée into a higher class market. Not to mention, he felt its presence would create a competitive edge within his own organization. Lord has been vilified for what is, perhaps, similar thinking 30 years later!

Morris bided his time until the declaration of bankruptcy, then bid £600,000. He felt sufficiently confident to pay a 10% deposit but Austin was back in the ring, along with a mysterious outsider named Julius Turner. On February 10, 1927, the senior Official Receiver, H E Burgess, was forced to conduct an inelegant 'auction' in the bankruptcy courts on staid Carey Street in the City of London.

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Turner dropped out early on. It has been suggested he was the representative of the American giant, General Motors. Later thinking is that he was probably a nefarious speculator hoping to acquire a business to sell on at a large profit. But that is not to say he may not have had GM in mind as the customer.

Austin and Morris slogged it out. At one point Morris's 'people' told Austin's 'people' that Morris was prepared to go, '*just a bit further than you*'. He did. It was, William Morris said, '*the most thrilling hour of his life*'. Wolseley had been acquired for £730,000. Herbert Austin had, no doubt, been humiliated. It was, after all, the company he had placed on the motoring map. Yet, retribution would come.

It was into Wolseley Motors (1927) Limited that Leonard Lord walked in the year of its birth.

Graham Turner in *The Leyland Papers* (Eyre and Spottiswoode 1971) describes Lord as '*both crude in speech and manner*'. Yet at this stage, we have no substantive evidence – indeed no evidence at all – to suggest that Leonard Lord was foul-mouthed or ill-mannered. It is true the schools' inspectors had once criticized the English teaching at Bablake for leaving boys uncouth. But that is an unspecific term. It could just as likely allude to their knowledge of literature or grammar as to their general deportment.

At Courtaulds, with its predominantly female staff, it is reasonable to assume that a 17-year-old male would have been more 'victim' than 'aggressor' in shop floor banter. Although, undoubtedly, an incumbent's vocabulary of sexually orientated expletives would have expanded. The daily exchanges to which Lord would have been exposed at 'Coventry Ordnance', 'Daimler', 'Jig and Tool' and 'Holbrooks' have no reason to be any more 'colourful' than the norm for those particular environments.

While at 'Hotchkiss' and then 'Morris Engines', Lord was in a position of authority, almost certainly not dealing with anyone below the level of foreman, and with no need to demonstrate that verbally he could 'give as good as he got'. This is born out by Frank Woollard who said in that *'Motor'* article: *'He (Lord) is frank and direct in all his dealings and is able to give clear directions to his executives'*. Here we need to take on board that this was written in Austin's jubilee year (1955) when accounts of Lord's demeanour and *modus operandi* would have been at their height. So, in that sense, Woollard may be an apologist for Lord's style, and language.

Even if Woollard was an ameliorator we should ask whether Lord's 'foulness of mouth' has either been exaggerated out of all proportion or, conversely, writers and commentators over the last four decades have sanitized it for increasingly 'politically correct' consumption.

To take the first scenario – there are far more offensive swear words than 'bloody' and 'bugger'. And while it does not come within our remit to examine the semantics of the English language, in Midlands usage, the word 'bugger' is milder again. It is used as a noun, rather than the verb associated with sexual deviance, and usually alludes to what is merely an upsetting or unfortunate situation. For example: 'that's a bugger'. Thus the case against Lord for swearing may pale into insignificance.

It is worth noting that Bill Davis, who started at Longbridge as an apprentice and rose to become a main board director of BMC, is adamant that in all that time he only heard Lord swear twice. The few members of Lord's family who actually remember the man have scant recollection of his swearing. For my own part, with knowledge of the newspaper industry, the 'c' and 'f' words were common parlance; and that amongst national newspaper executives. Maybe we are being prissy over a minor failing, or, at the other extreme, perhaps we are trying to protect Lord from himself.

William Morris recognized the brilliance of the work Lord had done at Morris Engines. He also appreciated that to return Wolseley, with its 1,200 strong workforce, to profitability and capitalize on its prestigious reputation, it needed major reorganization.

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The men Lord joined at this new acquisition were the incumbent works manager, Oliver Boden, and a new managing director, Leslie Cannell. Joining Lord at home was his and Ethel's first child, a baby daughter – Joan Marguerite.

Boden was a production engineer and had worked on munitions with Vickers before moving to Wolseley. He was hard working and well respected. Cannell came from Morris Commercial Cars Limited, the van and lorry arm of Morris, where he had also been 'MD'. He now started to style himself 'governing director'. Before joining the Morris fold he had worked for the London firm of Gwynne who made light cars, aeroplane engines and centrifugal pumps.

To start the process of revitalization the Adderley Park works was vacated and handed over to 'Morris Commercial' who moved from the former Wrigleys factory on Foundry Lane in the Soho district of Birmingham. E G Wrigley, who we encountered making parts for the first Morris and was an early employer of Woollard, went bankrupt after hoping to mass produce the Angus Sanderson car. True to form it was subsequently bought from the Receiver by William Morris in 1924 to become Morris Commercial Cars Limited.

Wolseley then concentrated its operations on Ward End.

Lord and Boden set about the overhaul together. Although the overall result was incredibly successful it should have been obvious the relationship between the two was not going to work. We have a pair of production engineers. One a long serving, dyed in the wool, Wolseley man, the other a 'thirty something' newcomer from the organization that had bought Boden's long-term employer.

There is no question that what Lord was doing to rearrange the machinery and the production methods showed all his ability, flare and dynamism. But at 31, his age when he went to Wolseley, he did not have the personal maturity or adeptness to have a successful partnership with Boden, then 40, and no doubt still ambitious himself. Neither did Lord have the subtlety to deal with the rest of the management team.

Traditional techniques of 'last in, first out' and simple logistics made trimming the shopfloor workforce easy. Axing managers, the majority of whom Lord would not have known, was much more difficult. The solution came on what Morris aficionados know as 'black Friday'. Lord invited the team to his office for an 'ice-breaking' tea and biscuits session. As the atmosphere grew more convivial and the assembled company took to the chairs set around the room, their new boss could observe whether they had swarf embedded in the soles of their shoes – some say, lodged in their trouser turn-ups. Those who did – the managers who 'walked the job' - stayed, those who did not, went. It is an unlikely story. Purely, we must suspect, of Lord's own cavalier invention and masking a much more incisive and informed assessment.

Yet, Lord did what he has often been criticized for in later years; created warring sectors. As Miles Thomas said: *'It was evident that the Wolseley company was becoming split into two rival factions, those who supported Boden and those who supported Len Lord'*. To solve the situation, a troubled Morris, but now doubly impressed with Lord, put Boden in overall control of Wolseley Motors and Morris Commercial Cars (Cannell remained as 'MD' of Wolseley) and in April 1933 invited his new discovery to Cowley as 'governing director' of Morris Motors Limited. Lord was just 36.

Perhaps the most impressive of Lord's achievements before leaving Ward End, and the deciding one for William Morris, had been the speed with which he brought a new, eight horsepower, side valve engine into production.

Morris had entered the '30s with a small car called the Minor. This was the predictable bid, in 1928, to challenge the Austin Seven. The latter was still riding high in the miniature car market, the fastest growing sector, and one that had received a further boost in Chancellor Winston Churchill's budget of that year when he raised the price of petrol from 1s 2d a gallon (about 6p) to 1s 6d but left 'horsepower tax'* untouched.

A crèche full of manufacturers tried to snatch a slice of the Baby Austin's cake – Clyno, Gwynne, Humber, Singer and Standard – while William Morris was prompted to say: *'Some people think that my idea is to try to crush the Austin Seven off the market, which is absurd. But I can say this, my price will not be higher than that of the Austin Seven'*. Sir Herbert responded thus, perhaps rather unconvincingly: *'Personally, and as firms, we are on the best of terms with the Morris Company. The public will decide whose car they like best. Mr Morris's decision (to enter this sector) is no surprise to me'*And then added rather churlishly: *'I knew what was going on weeks ago'*.

The Morris Minor was a more advanced car than the Austin Seven. It came onto the market at £135 for the saloon and £125 for a tourer, the same as the equivalent models from Longbridge.

Ironically the Minor was not, in the main, designed at Cowley. Perhaps this was the 'competitive edge' that Morris had alluded to. Or maybe he was too pre-occupied with the appalling quality of the steel bodies for other models being made by Pressed Steel and delivered to the main works. Decades later the body builder would be acquired by BMC, now their performance rendered Morris: *'like a bear with a sore head'*, said Miles Thomas.

*At this time cars were taxed on the basis of a formula that provided an artificial 'horsepower' rating. Based on a calculation involving the cylinder diameter it led to highly unsatisfactory engineering – power units of small bore with very long piston strokes.

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The chassis for the Minor was made in the Wrigley works now vacated by Morris Commercial. The lively 847 cc engine was one of those said to have been born of Wolseley's experience of Hispano-Suiza aero engines in WWI. It had the dual phenomenon of an overhead camshaft with the drive taken off the back of the dynamo's armature shaft. The first feature was certainly to the Franco-Spanish* company's layout and probably the second owed something to their method of reduction gearing for an aeroplane propeller.

Sadly, Wolseley's interpretation made for a fragile and troublesome unit, particularly as regards the principle of the camshaft drive. It was compounded by the fact that the fabric covered body used so much wadding to ease its angularity it became extremely popular with birds who liked to peck through the outer skin to source felt for their nests.

As Miles Thomas has it: '*The first Morris Minor was a troublesome baby*'.

The realization of a solution – although not the origination - was down to Leonard Lord. In 1931 a new, simpler, tougher, engine came off the drawing board of Percy Rose at Morris Commercial Cars. He had served an apprenticeship with none other than Royce, as far back as the great man's days in Cook Street, Manchester. Rose joined Morris in 1922, initially at Cowley, then transferred to Birmingham and 'Morris Commercial'. There he penned, among other designs, the original running gear for the Minor. It was his 8 hp side valve engine Lord raced into production at Ward End.

In his book *Out On A Wing* (Michael Joseph 1964), Miles Thomas suggests that the side-valve Minor was the result of Lord being inspired by a Ford of similar capacity. This is misleading as it alludes to a train of events that came later. When Wolseley were finding a solution to the troublesome overhead camshaft engine the small Ford did not exist in any form.

*It was only chief engineer, Marc Birkigt, who was Swiss hence 'Suiza'. The factories were in Spain and then France.

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The Minor was marketed from 1931 until 1932 with the choice of the ohc or sv engine. With the side valve as the only option, it lasted until 1933. A total of just over 86,000 Minors were built between the launch in 1928 and 1933.

When Leonard Lord arrived at Cowley, be-spectacled, with fiery ginger hair, he was on the threshold of becoming a captain of British industry. Now married 12 years, a second daughter, Patricia Anne, had joined Joan in 1929 and a third, Pauline Ruth, in 1931. Thus he was also a heavily committed family man.

It has been said that Lord was proud of his new authority almost to the point of arrogance. Even before this description of his manner at Cowley was uttered, he had displayed extraordinary arrogance in his dealings with no less a figure than Morris. When offered the job at the Oxfordshire plant he said he would only accept if he had full managerial control, otherwise he preferred to stay at Wolseley. His experiences with Boden would have illustrated to him that there could be only one supremo, but his declaration was complicated by Cowley already having a managing director in Edgar Blake.

Blake had been brought in around 1925 from the Dunlop Rubber Company where he had been general sales manager. He was hired for his 'commercial' outlook and was one of the first 'outsiders' to join top Morris management. However, he did not have a happy liaison with his more technically minded colleagues and he was persuaded to retire in June 1933. Lord had had his way.

Yet it is a measure of the importance William Morris attached to Leonard Lord taking over at Cowley that he acceded to this manoeuvring. In truth, he realized, Lord was the only man who could reverse the trend in what was by now a declining organization. Morris Motors' profits for 1931 had been little more than half those of the previous year - £662,916 as opposed to £1,166,689. There was a slight climb in 1932 to £755,000 but '33 was disastrous with the figure standing at just £343,000. The reasons are varied and complicated.

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By the 1930s the bulk of British motor industry output was in the hands of a small number of volume producers. This was partially attributable to Morris's own declared policy of absorbing the entire output of component manufacturers and/or buying them out. Because of this, both the availability and, more importantly, affordability of parts to small manufacturers was limited and the majority was forced out of business.

Also, overall, there was no clear understanding of what size car the public really wanted, or would be able to afford. For example, Austin had a spread of more than 30 models in their 1932 catalogue. In the 8 hp or under category, home sales soared from 18% in 1928 to 25% in 1929 and continued to rise until 1938 (30%) with just two minor blips in 1932 and '34 (24 and 23% respectively).

But as we have already seen, at the turn of the decade Morris, unlike Austin, were in the very early stages of developing a car to penetrate this promising market.

Meanwhile, from 1932 onwards, the 9-10 hp sector was extremely strong rising from 24% market share that year to 33% in 1938 and steadily outstripping the demand for the smallest cars. All the time an increasingly fickle and fashion-conscious customer was making the designer's job more difficult and the production department's more costly.

The export scene was fraught, either by virtue of local tariffs, or the unsuitability of British cars for nearly all markets, brought about by the engineering philosophy – narrow bore, long stroke - fostered at home by the horsepower tax. Conversely, there was competition *from* overseas. Both Ford and Vauxhall (the latter owned by America's General Motors since 1925) had a United Kingdom presence. Indeed, by 1934 the Ford Eight, flooding out of a new Dagenham plant, seized more than 50% of its sector with some 27,000 sales.

Morris's specific problems were that they had misjudged the market. From the late '20s onwards there was a general need to broaden the coverage – Austin added first a six cylinder Twenty and then a Sixteen to supplement the Seven, Twelve and four cylinder Twenty of the vintage (1920-30*) years. Soon there would be a dreadful six cylinder 'Light' Twelve, a splendid Ten horsepower 'four' and an unimaginative, ubiquitous and indestructible four cylinder 'Light' Twelve.

Morris could have jumped either way from his staple and much loved 11.9 horsepower cars of the early years. He chose upwards – first to 13.9 and, by the end of the decade, higher. It was a bad move. *But*, he believed he could not, profitably, oust the Austin Seven, particularly as others were trying to board the miniature car band wagon and would be taking varying proportions of sales. He was also attracted to the export market where the bigger cars might hold sway. In addition, he thought the British public could be wooed to these larger models.

In fairness, there had been a rush to 16 horsepower types through 1930 and 31 when they snatched 25% and 21% respectively of the home market. (Austin shifted no fewer than 5,560!). But the demand collapsed almost totally in 1932 (just 12% of all sales) as yet another economic recession bit.

Back at Morris, even in the late '20s, much depended financially on the archaic Cowley. Updated in appearance though it was, it was increasingly difficult for it to hold its own against better equipped Morrises in an ever-more fashion conscious market place. The company weathered the opening stages of the new economic depression satisfactorily as it was not dependent on high profit margins from its new small car and sales in this category held up reasonably well.

*This is the very realistic definition formulated by the UK's prestigious Vintage Sports Car Club. It reflects a period of quality engineering and construction prior to the 'post-vintage era' when the motor car became much more a utilitarian commodity of inferior design and workmanship.

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However by 1931 purchases of Morris Twelves – the Cowley's class – crashed from 26,000 to 17,000 while at the same time there was little market for the bigger models. Nor were 'business' cars selling. This sector had been a happy hunting ground for Morris, but now cash-starved companies were holding on to their fleets. Morris was in deep trouble. Market share fell from 51% per cent in 1929 to 27% in 1933.

There were personal issues also.

William Morris, who had no heir, a situation he described as his '*personal tragedy*', failed to install a plan of succession or inject 'new blood' into the organization. While he may have been able to pick lieutenants who were capable of delivering what he wanted, he made one of the gravest managerial errors of all in not being able to delegate, then leave a competent subordinate to execute the instructions.

This was compounded by the fact that in the crucial years of the late '20s he appeared to have lost interest in the business, ceasing to attend the weekly executive meetings and taking long voyages to Australia, a country for which he had a passion. Ironically, it was Herbert Austin's old 'stamping ground'! Morris would stay for months on end, remaining on one occasion for seven.

In *The Leyland Papers* Graham Turner writes: '*While he frequently vowed to leave the management of the business to other people, he was furious if important decisions were taken while he was away; and if anyone displayed signs of real power, his days were numbered....He was a proprietor who did not want to manage, only to intervene when he felt like it*'.

An example features Frank Woollard, still at 'Engines Branch' in Coventry, and Blake, towards the end of his tenure at Cowley. The latter authorized the 'secret' design of a 'Light' six cylinder while Morris was away on one of his cruises. Woollard produced what was a very innovative, but very poor engine. Extremely good, though, at boiling the oil in its sump and pumping it over the clutch. To get the project completed before 'the master' returned, a quickly made fabric body was slipped on. As soon as Morris was on hand, and with eager anticipation, the dust sheets were thrown back.

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Predictably, Morris instinctively hated the design that lay before him and in which he had had no hand or say. It didn't help that the Morris Fifteen was a commercial disaster. As Turner suggests in the broader context - Edgar Blake's days were numbered.

Yet, one occasion when Morris did get the formula right was with Leonard Lord. He chose someone who was young, gifted and the only man who could save a company that was so big even its founding father couldn't understand or control it. Lord was given what would be known in today's business world as 'personal objectives'. He had to modernize and overhaul the product range. That meant slashing a catalogue that had seen a rise from two basic models and 10 body styles for most of the vintage years to nine core cars and 26 coachwork types after 1928, all placed there in an ill-starred bid to comprehensively cover the market. It also meant doing something about the huge inroads into the 8 hp category being made by Ford.

He needed to modernize and fine tune the production facilities on the 200 acre Cowley site and elsewhere. To that end, at the Oxford factory, £300,000 in 1934, which had swelled to £500,000 by 1936, was invested in plant and accommodation. This included four mechanized assembly lines of the latest type and the expansion of the north factory to cover more than 40 acres. Brand new structures appeared to the south. All engine manufacture was focused on Morris Motors Engines Branch at Coventry except for power units for the heavier lorries. That remained with Morris Commercial Cars Ltd. in Birmingham. Administration was largely centralized on Cowley.

Spin-off objectives for Lord, which he probably regarded with little relish, were to minimize William Morris's estate duties and to merge his personally owned companies. This was a tedious affair in part brought about by what is euphemistically referred to by commentators, as 'the super tax case(s)'.

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From 1922 individuals whose annual income was above £2,000 (Morris would have been earning that *a day* in 1933) were eligible to pay, in addition to income tax at a fixed rate, super tax on a sliding scale. Companies simply paid income tax at the fixed percentage. It was clearly advantageous for an individual to allow the money an enterprise was earning to remain within the business. But this was complicated in William Morris's case because he owned much of the organization personally.

The Inland Revenue made two bids to extract super tax from William Morris, the first in November 1926, and then in December 1929, for the years 1922/3 and 1927/8 respectively. They failed on both occasions because Morris managed to demonstrate his profits had been used for essential maintenance and development, which was permissible. But forewarned, Morris first turned Morris Motors into a public company (Morris Motors (1926) Limited). This absorbed the radiator, engine and body manufacturers he had owned privately. He also set up, in 1927, Morris Industries Limited, a holding concern that would enable him to move money around the firms without attracting tax.

Still unable to sleep at night for money worries after the 1929 claim, he decided to merge some of the remaining privately owned companies and place the shares on the stock market, thus further reducing his own tax liabilities. In simple terms, as far as such matters ever can be, Morris Motors issued, in 1935, ordinary shares to Morris Industries (the holding company) to buy itself back. Morris himself, i.e. Morris Industries, obtained 1,999,995 of them. Leonard Lord, Miles Thomas, Cecil Kimber (head of MG), Reginald Thornton (the auditor) and Andrew Walsh (the solicitor) received one each.

Morris Motors now raised £269,000 from more ordinary shares to buy Wolseley Motors Limited for £250,000 and the MG Car Co Ltd for £19,000. In October 1936, Morris Motors raised a further £381,000 in a similar way to buy Morris Commercial Cars Ltd and Morris Industries Exports Ltd for £300,053, plus the SU Carburetter Co Ltd at £50,000. The amalgamated businesses were named The Nuffield Organisation and the only companies Morris continued to own personally were The Morris Garages Ltd and Wolseley Aero Engines Ltd.

What Leonard Lord made of all these machinations is hard to judge. But they would certainly have given him a sharper insight than ever before into the financial administration of a major undertaking and the ploys that can be implemented for a variety of purposes. His final objective, and perhaps the most important of all, was to improve the profit from what, at this stage, was still Morris Motors Ltd.

The profitability of Morris's combined interests had soared, year on year, from 1920 to 1928 - £50,000 to £1,595,000. There had been a blip in 1926 when the figure dropped from £1,556,000 in 1925 to £1,042,000, but this has been attributed to developing, then tooling for, 'Flatnosed' as opposed to 'Bullnosed' models and to Britain's General Strike. The latter didn't affect Morris directly as only three brave souls amongst the 3,000 strong workforce participated, but there was general turmoil in the land.

However, in 1929, for reasons already discussed, Morris's affairs took a downturn. Slowly at first – profits of £1,571,000 that year, just some £25,000 down; then £527,000 the next, 751,000 the next (up, but not significantly); until, when Lord arrived, they stood at £844,000, again, slightly improved, but only because of a modest upturn in the national economy.

Lord's prescribed objectives – modernization, profitability, tax efficiency and so on – were all to be realized. But undoubtedly his most spectacular single achievement in those years was the creation of the Morris Eight. The car was a direct response to a British Ford of the same power category that was making the devastating impact in that market sector that we have already seen – more than a 50% share by 1934.

The Ford Eight, or model Y, was produced at the American company's new British plant in Dagenham, on the Essex marshes. The factory had opened in 1931 and struggled for viability with Model A cars and light trucks derived from them. The former, particularly, were in the American mode and as unsuited to the British scene as the domestic product was to overseas use. The balance sheet looked so grim that Ford of Britain's chairman, Percival Perry, told his bosses in Michigan that unless they could provide a small car his arm of the company was 'finished'.

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They heeded the message. In the parent drawing office, in under six months and aided by delegates from England, a stylish little saloon was created around a simple but smooth running and workmanlike 933 cc engine. The chassis was in the Ford tradition with transverse leaf springs front and rear and torque tube transmission. About 14 prototypes were constructed in the Rouge River works at Dearborn and shown to potential customers in London's Albert Hall in May 1931. Some 50,000 people paid 1s 3d (about 6p) to see.

The model, which was made in two- and four- door form (unlike the Austin Seven, for instance), was revised after its unveiling and went on sale three months later at £120. In its first short 'year' 8,260 were sold but in 1933 sales rocketed to over 37,000 and turned Ford's loss of £726,000 the previous year into a profit almost as large.

In 1935 the price of the 'Eight' was reduced to £100, allowing Ford to claim it was the first fully equipped, closed, car in the world at that price*.

To suggest, as many have, that the Morris Eight was 'a Ford with frills' is disingenuous both to Lord and the men who actually designed it. It is true that Lord had a Ford brought to Cowley and assistant chief designer, Claude Bailey, based an engine very closely on that of Dearborn's. However, the Morris was a far superior car in every way. Superior also to the out-dated Austin Seven.

It was an attractive, well made, modern car with a quality feel. The 918 cc engine used the excellent in-house SU carburetter with an electric fuel pump of the same make and had enough power to mitigate a three speed gearbox. The chassis was fitted with semi-elliptic springs at each corner damped by hydraulic shock-absorbers. Brakes were also hydraulic, from Lockheed, and steering was of the Bishop cam design for lightness.

*Miles Thomas claims 'the first £100 car' for Morris with a Minor of 1931. But it was neither closed nor fully equipped.

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Prices began at £118 for a two-seat tourer with the basic four-door saloon retailing for £132 10s. De luxe models had best quality hide upholstery, a sunshine roof and extra chrome. When the car was launched, in 1934, it was a sensation. The planned production had to be doubled to cope with demand. Around 250,000 were produced in four years (it took the Austin Seven seventeen to reach 290,000), speeding Morris to its first total of one million vehicles built by 1939.

Ford sales were considerably reduced, Morris's profits reached record levels, sales revenue rose from £11.4m in 1933 to £21.1m in 1936 and market share from 27% to 33% over the same period. But it would be a bitter-sweet success for Leonard Lord.

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