

# *ACCELERATION*

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If you are wondering what this tale called “Acceleration” will be about, and if you are hoping it will be a story about cars, and not about run-away economic spending or the rapidly aging population or about the pace of global warming, let me set your mind at ease. It is about cars, or at least about being around cars. And, yes, it is about Toyota.

But, no, this is not about the Toyota safety recalls over the winter of 2009-10, over out-of-control acceleration problems. The world seemed to almost gloat over the revelation that the legendary Toyota empire had seemed to finally stumble. The end of this infamous episode in Toyota’s evolution is yet to be written. The irony, of course, lies in the question of how a car company that grew to be the largest the world has yet seen, built around a reputation for superior reliability, could become so plagued by multiple quality control problems.

The story I have to tell here turns the pages back to the days when Toyota was just beginning to build its bridges to the U. S. market. It’s a recall all right, but a recalling not of defective cars, but of my recollections from an earlier time, when Toyota was just beginning its acceleration.

There was a secret to what set Toyota on the road to dominance of the American market. And the secret was not simply that post-war Toyota engineers had scouted the assembly lines of Detroit, which they did. It wasn’t just that they copied what Henry Ford had set in motion a half-century before, applying Asian precision, economy and discipline to car production, which they did in spades. The secret was not only that they figured out how to design cars that would appeal to the American consumer’s evolving tastes and demands.

The largely unexpected secret to Toyota’s ultimate U.S. success, in my opinion, is that the fledgling American office came to realize that they needed the moxie and resources of U.S.

entrepreneurs, together with the experience of seasoned U.S. auto industry executives and local American dealers, along with creative U.S. consumer marketing people, to all come together and put Toyota on the U.S. map. Thus, hundreds and then thousands of Americans became a vital key to Toyota's success in America.

By the early 1970s, Toyota was beginning to make its mark, changing the face of our pervasive car culture. I was there, and not only as a car ogling, auto-owning, 20-something consumer, like so many others. For a few critical years in the early 70s, I had the chance to become an actual "car guy," living on the cutting edge of all the buzz about change, working as Toyota's first company public relations and advertising man for its accelerated development in Mid-America.

It was a hot day in Franklin Park in the summer of 1971. The receptionist, speaking distinctly over the inter-office PA system, instructed: "Will the driver of the tan Volkswagen in the employee parking lot please come to the front desk?"

Sitting in the vice president's office, in the midst of his briefing me, in the first hour of my first day on the job, I came to the abrupt realization that Toyota wasn't playing softball.

Within minutes after I'd moved my tan little VW Beetle out of sight of the headquarters employee parking lot and way down a side street, as I'd been politely asked to do, the head of sales informed me that henceforth I was free to drive to and from work any of the small fleet of Toyota media demo cars I would have at my disposal, and "get rid of," as he gritted his teeth, my so recently beloved VW, with its sporty sunroof and am-fm radio.

You see, I went way back with Volkswagens, to 1956, but more later on my pre-car guy background. VW was the enemy, and I sold mine within two weeks, and from then on alternately drove, over the next two years, the latest well-equipped models of the hot new compact Corolla, a somewhat larger Corona which was the first Toyota designed especially for the American market, the larger flagship Crown sedan, a precursor to the Lexus line of luxury cars Toyota introduced in 1989, and the sporty Celica, introduced in 1970 and sold until 2006. Also in the media pool was the legendary 4-wheel-drive Land Cruiser of safari fame, on the rare occasion when it wasn't on loan to some outdoorsy journalist.

One Toyota I didn't get my hands on, but remember seeing at the distributorship headquarters, was the famous but rare aluminum-bodied 2000GT, which resembled an elegant British sports car, with a massive hood, low-slung profile and a rosewood dash. It revolutionized the auto world's view of Toyotas as stodgy and slow, and became the world's first collectable Japanese supercar. It had set 16 world speed and endurance records by 1966, with its dual overhead cam six and 5-speed manual transmission. A specially made convertible version appeared in the 1967 James Bond film, "You Only Live Twice." The 2000GT was probably too much of a specialty car to ever reach a mass American market, and only about 60 were sold in North America, at prices approaching \$7,000, exceeding the costs of Jaguars and Porsche's of the period. The Celica was introduced as the 2000GT was going out of production, and was positioned as an economical everyman's sporty alternative to the awesome 2000GT.

By the time I left the car business in 1973, Toyota was zooming past VW as the top imported car brand, and would keep on skyrocketing until it passed everything Detroit had to offer, to become the best selling car badge in America.

While the troublesome recalls touching Toyota forty years later, together with today's economic crisis traumatizing the domestic auto industry raises questions about where that industry goes from here, the early 70s posed enormous challenges of their own. This was an era in which the automotive industry dramatically began to change, reflecting the demands and expectations of customers who increasingly prized economy, quality and, perhaps most of all, reliability, over massive iron and flashy design. And the impulse of U.S. regulators was predictable, seeking embargoes and limitations on imports to try to level the playing field, or tilt it back toward Detroit.

I came to the car business through an indirect route, in which the only common thread is mobility. My early motoring CV prepared me in some ways for my role at Toyota. In 1956, my dad bought a new VW convertible for my mother. It was unlike the Buicks and Lincolns we'd had in the family before. It was small and economical, but distinctive. On my 16<sup>th</sup> birthday, I qualified for my driver's license in it, and by noon had taken three buddies to the Loop on the Eisenhower from our home in suburban Riverside, and had been pulled over by a cop for a wrong turn at State and Madison. The nice policeman directed me to buy him a handful of expensive cigars at the corner Walgreens, and by one PM, I had beat my first Chicago ticket, and become familiar with a few of the legendary ways of the big city.

A year later, I fell in love with a used Triumph TR-2 sports car at a Hinsdale import dealer, and had convinced my grandfather to match the \$600 I'd saved from a summer job, and bought it. When I arrived at college the following year in my renovated TR2, I felt like the playboy of the western world. The wire wheels had new Michelin tires, courtesy of my dad, the safety freak. The car had a hand-rubbed midnight blue lacquer finish,

courtesy of the boys at a Wisconsin juvenile reformatory, who painted my dad's trucks. I had the windshield stowed in the trunk, my banjo in the red leather passenger's seat and wore sunglasses, with a jaunty pipe in my mouth and a ribbed sweater, as I motored onto the campus. I was off to a fast, but ill-fated start. A year later I had not only wrecked the car, but I had flunked out of school and was back home at square one.

Let me go back another step. My father was in the trucking business, running a fleet of a thousand over the road freighters through Wisconsin and Illinois. Like my brother, who went on to operate some of America's largest truck lines, I was apprenticed to the work. I was a Teamster at 16, hand loading and processing huge 40-foot trailers. I learned every aspect of the trucking business, working through high school and college vacations. I even worked the night shift one summer as what was called, in those pre-computerized days, a "stripper," hand sorting through thousands of bills of lading so the freight got where it was going and billed to the right account. I had entered Bradley University intending to be a business-econ major and to go into the trucking business following in my father and brother's footsteps. But, I wasn't cut out for the discipline of accounting study or the rigors of math. When I flunked out, I discovered the student-at-large program at the University of Chicago, and matriculated in literature, and later returned to Bradley U. and switched to a major in journalism, with a specialty in public relations.

On graduation in 1966, my draft board pounced, and at the height of the Vietnam build-up, I found myself an Army officer's candidate school graduate, not in the transportation corps as I'd hoped and requested, but a second lieutenant of Armor, embracing another form of mobility, the M60 main battle tank, as I was headed toward South Vietnam. It was the height of the war, a year in which a record 16,000 Americans

died there, a time when the life expectancy of Armor lieutenants like me commanding combat tank units in the Delta was just two weeks. But, before embarking, I managed to play my journalism card with the Army and soon graduated from the officer's course at the Department of Defense Information School. I was still headed to Vietnam, but not as a tank unit commander, and to my great relief I would instead serve as a press officer. I worked with the news media from a combat press camp at a corps headquarters near the old imperial capitol at Hue that had been set up after 1968's Tet Offensive.

A year later, out of the service, I joined the Allstate Insurance Company, as a public affairs staff member at their Northbrook headquarters. The day I was hired, the publications director told me they "would not hold it against me that I had served in Vietnam." That was despite the fact that I would never have volunteered to serve in that ill-conceived and badly-managed war, had the draft not grabbed me because I was neither going on to graduate school nor raising a family. But that's fodder for another essay.

I had no title on my Allstate business card, but because of my background I was assigned to the safety director, and helped with PR programs related to driver education and anti-drunk driving legislation. I wrote speeches for top executives, appeared before local schools and community organizations, and was loaned to the U.S. Department of Transportation to organize a national women's conference in Washington, on the drunk driving issue. Caught up as a low-level cog in a giant corporate PR beaurocracy, I yearned to make my own decisions, and within two years, the aggressive young Toyota organization was to give me that chance.

Toyota had made a false start entering the U.S. market. Toyota Motor Sales, U.S.A. was established by Japan in 1957, setting up

shop in a former Rambler dealership in Hollywood, California. Sales began in '58, but totaled only 288 vehicles – 287 sedans and one Land Cruiser. Their first import was an ugly, square, tinny-looking sedan, that was also vastly underpowered for America, called the Toyopet. Sales stalled altogether in 1961. And until 1965, only the legendary Toyota Land Cruiser, the durable all-terrain vehicle, carried on in the U.S. market.

Meanwhile, Volkswagen had already made a gradual, successful entry to the U.S. with the charming and economical bug and VW vans that emerged from post-war Germany's industrial complex. My mother's 1956 VW convertible was a charmer, with a two-tone cream and gray exterior, a folding black top, red leather seats, and a precision 4-speed stick shift. I loved to spin it in circles on the icy winter side streets of Riverside. It had no gas gauge, but when the car sputtered, you turned a lever under the dash to release the final gallon of fuel. Toyota's early entry, the Toyopet, on the other hand, was a sort of Japanese Yugo.

The Toyopet was replaced in 1965 with a successor specially designed for the American consumer, called the Corona. It had a powerful engine, factory-installed air and an automatic transmission. Within a year, U.S. sales surged to more than 20,000 units. Then the more compact, thrifty Corolla model was introduced in 1968, and was a huge success with American drivers. The Corolla would later become the first Toyota built in the U.S., and by 2007, 35 million Corollas' would have been sold worldwide, making it the most successful auto nameplate of all time.

Back in mid-1971, the general manager of Toyota's Chicago PR agency with whom I had interviewed two years before after leaving the Army, remembered me and I was lured away from the "Good Hands" people. He invited me to interview with a



client, Toyota, for the job of developing their mid-America PR and advertising program. I leaped at it, and soon had the position. At the time I joined Toyota's first and largest independent distributor, they were back with a sleek line-up of cars and pick-up trucks designed for the modern U.S. market.

Toyota's original beachhead for the U.S. was the west coast, for the obvious reason that it was closest to Japan across the Pacific – a direct route for the giant Marus, the car transport ships Toyota utilized. The far western states were company-owned markets.

But to develop the rest of the country, Toyota concluded massive private geographic distributor relationships with several entrepreneurs. These distributors would develop local dealers for Toyota. The distributorships themselves were staffed by their U.S. owners with marketing, sales and technical people, many from what was then still known as the Big Four U.S. automakers – Chrysler, Ford, GM and American Motors.

Our new distributor became the principal subsidiary of Amco Industries, an American Stock Exchange company. The Chairman of Amco was a Chicago businessman who had already been busy making two fortunes in consumer businesses – one as the creator of ReaLemon, and another by expanding the scope of a small ethnic winemaker called Mogen David. Irvin Swartzberg, who lived on Lake Shore Drive just north of the Drake Hotel, was small in physical stature, barely 5 feet tall, but as some would say, he would become the tallest man in any room when he stood on his money.

Irv was born in a Jewish neighborhood on Chicago's south side. He was not a strong child. As he explained it to me, one day his doctor prescribed lemon juice to improve his health. It seems he suffered from anemia. Irv began to squeeze lemons in the basement of his home for the strength-building juice. Not only

did his health improve, soon he was selling the juice to his neighbors and local taverns. Irv cemented his first fortune when years later he sold the resulting ReaLemon Company to Borden, and joined their board. With some of the proceeds, he later purchased a small ethnic winery called Mogen David, which again he built into a national brand, the world's largest producer of Concord wines. He subsequently sold Mogen David to the Coca-Cola Bottling Company of New York, Coke's largest bottler, and took a seat on their board. His second fortune was in the making.

In 1966, Irv acquired the new Toyota distributorship for 14 mid-American states. Irv also distributed Toyota parts through mid-America, and even bought a port facility outside New Orleans to manage the massive car carrying ships, the Marus, which came in from Japan via the Panama Canal. He also bought from Ford a massive nearby auto processing and marshalling facility in Arabi, Louisiana, to handle Toyota and other automotive imports and exports.

Irv, along with other large independent distributors for the East and South, created a wave of retailing energy that was to propel Toyota's early growth.

Irv Swartzberg had been an area distributor for Jaguar and Triumph automobiles back in the mid-60s. Amco had been called the Gellman Wrench Company when Irv first bought the public company shell. He renamed it Amco as an acronym for American Coventry, reflecting the place of origin for those cars in England.

He brought in as president of Mid-Southern Toyota, as he named his new Toyota distributorship, a Brit with extensive car experience named Anthony Thompson. Tony had most recently been head of sales for Jaguar in North and South America. He was an automotive engineer by training, and had

as a young man been an assistant to the Chairman of Rolls Royce in the UK.

But Tony was much more than an engineer. He was an energetic organizer, an inspirational leader, and a consummate marketer. He was the perfect choice to introduce a new kind of car and a new kind of car company to the public, and to recruit and motivate an army of dealers, suppliers and employees. His tall stature, distinctly British flair and accent demanded attention and respect, and his automotive pedigree added a further aura of quality to these new Toyota cars. Tony had “the constitution of an elephant,” as my associate Bob Summers used to say, and it would often be seven or eight o’clock at night, at the end of another 12-hour day, before he could find time to sit down with us to review PR issues and plans.

I guess I got the first PR and advertising job at Mid-Southern Toyota because Tony thought of me as a quintessential Midwestern fellow. I was from Wisconsin, grew up in a trucking family, went to college in the home of “Will it play in Peoria?” served in public relations for the Army in Vietnam, worked in PR for the “Good Hands” people at Allstate, that all-American insurance company, and came recommended by Edelman Public Relations, a force in Chicago, where that renowned Midwest PR man, Dan Edelman, had known Irv from the Loop’s Standard Club for many years.

But I was a one-man band. At first, my only staff would be a young secretary, Carol, who lived down the street from the office. My job was to build Toyota’s name and reputation in mid-America and it was a big order. There was little training to be had from Toyota’s then lightly staffed California headquarters. We owned mid-America, and so it was up to us to figure it out.

But I did have a team of outside gurus already on the job.

First, there was Ross Stemer, a VP at Edelman. Ross was the old kind of PR man; a crusty ex-Associated Press reporter, peering over his glasses while chewing on a small cigar. He was gravel-voiced, saw the humor in every situation, and was an innate sociologist. Ross could figure out what motivated people. He introduced me to Irv Kupcinec at the Sun-Times, Jim Mateja at the Tribune, the reporters at The Wall Street Journal and the Crains at Automotive News – he seemed to know everyone in the media.

Ross had identified Tony as a potential star-quality automotive expert, and came up with a classic Edelman tactic – placing Tony on daytime women’s TV talk shows when he would travel to local markets for business visits or dealer grand openings. He would talk about how these new cars would meet customer desires for dependability, quality and features, at family-affordable prices. Ross knew that Tony’s British charm and broad smile would give him an advantage with female consumers.

Then there was Henry Robertz, spelled with a Z instead of an S. Hank was a top graphics designer, one of an elite professional association calling themselves the Chicago 27. Hank was not only a top graphic designer of publications and financial reports, but of product packaging, exhibits, identity systems, and he was trained as a journalist too. He could think content, organization and structure, and he taught me how to think visually and use graphics to powerfully promote our business. Several years later, Henry would steer me to two of his long-term graphics clients, Baxter International and McDonald’s, where I would work with him and his staff for many more years.

Our three clever, caped crusaders of advertising were from the Chicago office of Clinton E. Frank, Toyota’s national ad agency.

Bob Niemi, Jack Donahue and Al Halverson all had tons of domestic car dealer advertising experience. They were my partners in producing training meetings for our dealer's regional advertising cooperatives. They taught me how to create powerful ads, how to buy advertising, how to define a marketing territory, or "Area of Dominant Influence," how to inspect outdoor billboards and view them like a customer by "riding the showing," and how to work with local radio stations, and to understand the psyche of that special brand of business person – the car dealer. Al, a Mormon and non-drinker, knew how to order alcohol-free cocktails that would fool anyone, and always came away from dealer receptions with the most useful and candid feedback.

The financial communications guru was Steven Greenberg. I was dispatched to New York to learn at Steven's feet so I could take on the added duty of financial relations for our parent company, Amco Industries. Steven, a then 37-year old who resembled Benjamin Franklin with his shoulder-length gray hair, was already managing 200 million dollars of client money, had accumulated 20 million on his own account, on the side owned a hot roller-rink called the Roxy and had just produced "Barnum" on Broadway. He gave me a quick graduate course in financial public relations, as we'd criss-cross Manhattan in his chauffeured Rolls and meet in his gigantic jumble of an office, where his desk was a cluttered dining table built to seat 12. It was there I personally adopted the adage, "If a cluttered desk is the sign of a busy mind, what then is the sign of a clean desk?"

Let's now take a look at what life was like in the busy little PR department of our Chicago-based Toyota distributorship.

Our original staff of my secretary Carol and myself had swollen, by one, with the addition of a lanky young, six-four recent college graduate named Robert Summers. His older brother-in-

law was Jack Solomon, founder of national art gallery chain, Circle Galleries, and a business associate of Irv Swartzberg. Jack got Bob a job driving cars off the Toyota Marus in New Orleans. Hearing Bob was a writer, Tony Thompson, our president, recommended him to me, as I was expanding the role of public relations for our business. I wasn't thrilled at first with this "legacy," but soon realized he was a diamond in the rough.

Bob was a quick study, and before long he was editor of our two newsletters, the "Toyotan" for our employees and the "Dealer News" for our network of dealers. We had an aggressive publicity program for dealer grand openings, and in addition to creating the special giant scissors for ribbon cuttings and holding regional seminars for our dealers on how to promote auto sales, we would organize the grand openings into clusters and take our president Tony out to officiate. We would arrange for Tony to talk up small cars through appearances on local TV talk shows, do interviews on radio, where Toyota was often a major local advertiser, and be interviewed for newspaper business sections. We were giving the local dealers a publicity boost, while building the Toyota brand. At first, our PR agency in Chicago would help set up the interviews, but we soon learned how to do it ourselves, and our little office became a publicity hub where the phones never stopped ringing.

Bob Summers could do it all. We'd ordered out from Torrance an enormous trunk with the new Toyota mascot suit. He was called Terry Toyota, and was a giant leopard-like stylized furry creature, with an oversized big-eared head and a long swooshing tail. The people who did the Disneyland characters had designed him, and part of Bob's job became to "animate" Terry. Inside the suit, he deftly projected the goofy personality

of a college or NFL mascot, at special events, dealer openings, and public television auctions.

At one dealer grand opening we produced in Janesville, Wisconsin, the dealer had obtained a luxurious circular recreational home that resembled a flying saucer to use as an office for closing car sales on their lot. With hundreds of people and news crews attracted by our advance publicity, the mysterious saucer's hatch opened, and stairs descended, to reveal its mystery crew. First, 7-foot tall Terry Toyota emerged. Then he extended his paw and helped down the stairs, the much more petite Terry Anne Meeusem, the 1973 reigning Miss America. Terry and Terry proceeded with the dealer owners to cut a ribbon of one hundred dollar bills, to be donated to a local charity.

While not every opening was this "out there," we orchestrated such events virtually every week. Through the early 70s our parent company, Amco, was registering quarter-to-quarter sales gains that were often in the mid-30 percent to high 50-percent range.

One year, I'd been tasked to find motivational speakers for our dealer rallies, and we'd retained for the Chicago meeting W. Clement Stone, the legendary pencil-thin mustachioed Chairman of the Combined Insurance Company of America. There was a substantial fee involved. When I met Stone, who drove to the Marriott in his own white Rolls, he asked for some help with some things in his trunk we hadn't expected. He'd brought hundreds of copies of his famous book on "Positive Mental Attitude," which he wanted to sell at a table after his speech. We didn't want our dealers to feel they were being had, so I made a field decision to buy all the books. That was an extra five Gs. Stone had a positive mental attitude, all right.

Bob Summers and I would often grab lunch at a Franklin Park Italian restaurant, whenever we weren't running from one event to another. We were both writers and now totally immersed in automotive culture. One idea we frequently noodled, but never followed through upon, might have changed our lives. The Chicago-based Playboy empire was at its height. We thought of launching our own men's magazine that would uniquely combine the allure of great looking cars and equally great looking women. It would be titled "Automate." We went so far as to check out copyrights and design a format for the "Automate" magazine concept, but our attention was drawn away to our demanding PR responsibilities. Bob would later go on to a successful advertising career, becoming a top creative director for McCann Erickson on the national Coca-Cola account, and was the "Coke is it" creative guy.

Yes, the automotive trade is part show business, and nothing creates a bigger stage for that than the annual auto shows held in many major cities. Two of the largest are held in the Midwest, the seminal Detroit Auto Show at Cobo Hall, and the enormous Chicago Auto Show, held at McCormick Place on the lakefront. As the mid-America distributor, we were responsible for both. The exhibits themselves would be designed and built by Toyota in California, and shipped around the country. We handled all the arrangements, cars, staff, models, publicity and promotions for the shows, which are major selling events tied into local dealers.

One year at the Chicago show, we brought in popular Chicago radio personality Art Mercier, who was Outdoor Editor of WBBM – Newsradio 78. He attracted thousands of loyal listeners to Toyota's exhibit, where he signed autographs and we displayed the customized Land Cruiser we had provided him, for his 50,000 annual miles of Midwest sports travel.



I was also the bag man for the auto shows, bringing in thousands of dollars in fairly small bills, to use in greasing the skids with union bosses, management and laborers to get things done on the exhibit floor. Everything required incentives, from dusting the cars, to pulling carpet, moving cars, disabling batteries, aiming lighting and managing food service for salesmen staffing the exhibits. Not much happened without the grease, and that was particularly the case in Detroit's then infamous convention center, Cobo Hall.

I recall one case where the grease was worth its weight in gold. As you might guess, in the heyday of Detroit's dominance of the car market, it was impossible for Toyota and the other imports to get a decent floor location at an auto show. Ford, GM and Chrysler had tied up the same prominently massive spots near the main entrances for decades. Standing on the then empty convention center floor a few days before the show was to begin, I noticed that an enormous square column, apparently supporting the Cobo Hall roof, rose some 40 feet from the center of our exhibit area in the back of the hall. It was then I visualized the word Toyota, in the company's bold red stylized letters, reading down from the top of that six-foot wide column.

The union boss said no car company had yet used one of the giant Cobo Hall columns to promote their brand. Before asking "how much," I mentioned my idea to Tony Thompson. His jaw almost dropped as he visualized Toyota being seen across the entire hall, over the tops of the Detroit displays and from the very front doors. Tony leaned over and whispered in my ear – "Whatever it takes." Thus, some hurriedly-designed templates and several cans of red paint, and they were costly cans, bought a million dollars of public visibility and media attention to the brand.

Toyota would create four other distributors in the East and South, in addition to Mid-Southern, as far west as Texas, between 1969 and 1971. The concept worked very well. By the end of 1971, its five distributors had nearly a thousand dealers and sold nearly a quarter million cars annually. Say's John Turmell, who crafted Toyota's franchise and distributor agreements, "VW was selling a half-million-plus cars and trucks a year in the late 1960s, and Toyota wondered what it would be like to be at that altitude." Toyota has since said that its distributors were critical to its U.S. development, "bringing a culture of innovation, responsiveness and agility."

The head of Toyota's U.S. finance department at the beginning of the 70s made a wild prediction. He said that Toyota would someday have a billion dollars in U.S. sales. In 1969 Toyota had sold 124,000 units, at a \$1500 average price. That's less than \$200 million in revenue. But long before the end of the 70s, Toyota had indeed passed the billion-dollar mark.

Today, the largest surviving independent distributor, Southeast Toyota, by itself, sells 20% of the total U.S. car volume of Toyota, approaching a half million cars a year.

Many Chicagoans of a certain age remember Jim Moran, whose automotive moniker was "The Courtesy Man." I learned a lot more about Jim and Toyota a quarter century after he left Chicago. I was in New Orleans for a McDonald's global franchisee convention in the late 90s, and having lunch alfresco with several McDonald's executives at one of the famous old haunts there. Jeff Kindler, to whom my department reported at McDonald's, and is now CEO of Pfizer, had brought along a Washington attorney named Bob Barnett, who had been helping us with regulatory issues.

Somehow my background with Toyota came up, and Bob asked me if I knew Moran. I said I'd grown up watching his

commercials for Courtesy Ford in Chicago. Bob then told how he'd done work for Moran and became so close he convinced him to write his *autobiography*, to use the double entendre.

Moran was a client of his law firm, Williams and Connolly. The husband of television's Rita Braver, Bob is a corporate litigation attorney and had been President Bill Clinton's personal attorney. He is also a leading author's representative. Speaking of Moran, he wrote in Jim's book, "He started out from humble roots, but never in his life has he failed to accomplish something he set out to do."

Indeed Moran came from a working class background on Chicago's near north side, and started a Sinclair service station with \$360 in 1939, turning it into the most successful in Chicago. He founded Courtesy Motors as a Hudson auto dealership in Chicago in 1948, and later also took on Pontiac. That same year, he became one of the first auto dealers in the nation to go on TV, selling used and new cars, and pushing his trading area out from one Chicago neighborhood to a 175-mile radius broadcasting area. In 1955 he founded Courtesy Ford, and perhaps like some of you, I remember Jim Moran, the Courtesy Man on TV seemingly every night selling Ford cars. Our next-door neighbor in Riverside was a Ford dealer in Berwyn, and used to rankle at the mere mention of "The Courtesy Man."

Through the 50s and 60s, Moran was a major celebrity in Chicago, and he was the first of his breed to be featured on the cover of Time magazine. But in the mid-60s, Moran was diagnosed and treated for cancer, and given a 10% chance of survival. He had been a visitor to Florida since the early 50s, and decided to retire and relocate his family there.

His health returned, and in 1968 a friend told him Toyota was looking for a distributor to open up the southeastern U.S.

market. Moran's response was, "What is a Toyota?" His friend persisted, so Moran picked up a Corona sedan from the single Toyota dealer in Miami, and drove it hard on the freeway. He came back exclaiming, "It's the most balanced car I've ever driven." Not long after, a senior Toyota executive from Japan visited and asked him, "What would you do, Moran-san, if I shipped you ten thousand cars?" Moran didn't hesitate, and replied, "I'd sell 'em." Moran soon had the Toyota distributorship for the southeast.

Moran wrote, "I had no experience as a distributor. I understand the business from the customer's and the dealer's standpoint. I respected dealers and wanted to treat them as I had wanted to be treated as a dealer, and never was."

He went on to build and innovate. He created for Toyota the annual Toyotathon sales event, which goes on nationally to this day. He helped build trust and confidence in Toyota as he had so brilliantly for the domestic brands in Chicago. He showed Toyota how to sell extended warranties, certified used cars, and innovated Internet marketing for Toyota. He became renowned through the southeast for his commitment to the communities he served, and for the charitable work of his company, JM Family Enterprises.

JM is today rated by Fortune as one of the "100 Best companies to work for in America." His is the largest Toyota and Lexus distributorship in the world. Moran died in 2007, and his company JM, continuing under family control, is now one of the 30 largest privately held businesses in America, with annual revenues approaching \$10 Billion.

What became of our pioneering Chicago-based distributorship? In 1973, Irv and Tony were heading off to Japan to negotiate a new five-year distributor agreement. Tony called from Cincinnati to ask me to fly out immediately with Hank Robertz,

our graphic design guru. He'd just learned that the Japanese expected that he and Irv leave behind with Toyota management a formal presentation book to accompany their detailed growth proposal. We were talking about creating, writing and printing from scratch, within 7 days, a hardbound, slip-cased, 4-color book to be called "The Promise of Mid-Southern Toyota."

We produced that very expensive little book in time to make the plane to Japan. But it proved to be a tiny investment in helping bring in a new commitment for 100,000 cars a year, a record for us.

Along with the vastly increased car allocation came the mandate to reorganize our company into three distributorships, to bring operations and management closer to our rapidly expanding dealer network. Our booming port facility in New Orleans would be another separate company division.

By the early 70s, our little imported car business had grown into what in today's dollars would be nearly a one-half billion-dollar company.

But as we moved through 1973, America experienced a triple whammy – dramatic inflation, the Arab Oil Embargo, and a stock market crash, the first since the Great Depression to have a persistent economic effect. In 1974 Toyota experienced its first year-to-year sales decline in the U.S., and Toyota Motor Sales in California had its eye on the successful Mid-America market.

Meanwhile. Irv's Mogen David, now part of Coca-Cola of New York, was growing at almost three times the rate of the wine industry, moving into a wider and more youthful market. So, in

1975, Irv sold the Toyota distributorship back to the U.S. importer.

Toyota would go on to further challenge the struggling U.S. auto industry, and in the process itself become a growing U.S. manufacturer and employer.

Tony Thompson moved on to become President of Rolls Royce of Beverly Hills and then head Rolls in New York City. He was reported to have later received the Order of the British Empire for his career service to the British Auto industry.

As for myself, I left behind the brief romance of being a “car guy,” and went on to work for two major PR agencies on consumer product accounts over the next eight years, and then headed corporate communications for two Fortune 500 companies for 18 more years, winding up at McDonald’s. My early work with auto dealers and distributors at Toyota would stand me well in understanding the psyche of McDonald’s franchisees around the world. They share many of the same characteristics, as local entrepreneurs who build significant private businesses under national and global brands.

After a lifetime driving imported cars, ranging from VWs, Toyotas and Renaults, to Mercedes, Jaguars and BMWs, not to mention a guards red Porsche, today I’m proudly driving American -- a competitively-priced Buick Enclave crossover. It sports double-glazed windows as quiet as a Rolls, with a smoother 6-speed automatic than my old BMW SUV, and a tan leather interior with fit and finish that equals a Toyota Lexus. It’s my second Enclave in a row, after 35 years without owning an American car.

However, also parked in our garage is my wife Vicki’s ride, her trusty, solid and still stylish 2002 Toyota Highlander SUV. It

has nearly 120,000 miles on the odometer and is showing not a sign of giving up the ghost.

Last year, even in these times of economic slowdown, some 10 million new cars and light trucks, domestic and imported, were sold in the U.S. alone. Volkswagen has now set its sight on trying to top Toyota as the leading global nameplate, and the South Koreans and Chinese may not be far behind.

Meanwhile, Detroit is revitalized, and has rediscovered quality, reliability, innovation, styling and value.

But, our country's demand for these fuel-intensive, air-polluting, unfettered stallions of mobility flies in the face of a growing awareness of the need for environmentally sustainable transportation. Greener EVs, or electric vehicles, are coming soon from virtually every carmaker.

And what will become of Toyota? Nothing lasts forever. Yet, amidst all this automotive industry turmoil, and their own recent issues, Toyota remains ensconced at the head of the pack on virtually every front, and will likely stay there for the foreseeable future. Their quarterly profits, through September of this year, were 1.2 billion, not yen, but dollars, up 15% over last year.

Here in our highly mobile America, already bloated with nearly four million miles of convoluted roads and highways, perhaps what we really need today, though, are not more and more Toyotas, or cars of any kind.

Maybe what would better increase the quality of our lives would be a few more old-fashioned footpaths. There, we might slow down, relax and walk off some of those extra pounds that we've accumulated, while accelerating through life in all those comfy shiny cars.

