

# TRADE TOPICS

## Indian Company Sold

As a part of a policy of consolidation already involving two of its English plants, Associated Motorcycles, Ltd. of London, England, announces the transfer of its American Division, the Indian Co. of Chicopee Falls, Mass. to the Berliner Motor Corp. of Hasbrouck Heights, N.J. Although the American company has experienced this year an encouraging demand for its products, the decline in the sale of motorcycles of all makes on the English home market has been both continued and precipitous, consequently the need for prompt management action.

A few employees, principally the sales force, of the Indian Co. will be asked to join the Berliner organization. Most employees at the Chicopee Falls plant will necessarily be terminated. The exact timing of these events has not been determined but such employees will be given proper notice and suitable severance pay. It is the intention of the Berliner organization to continue the western division operation at Burbank, Cal.

The release of this startling news brought interesting response from the Springfield, Mass. newspapers, which items we here reprint.

### Indian Plant at Chicopee Will Close in Few Months

#### British Owners Forced to Consolidate U. S. Production; Some to Retain Jobs

**CHICOPEE**—The Indian Co. of Chicopee Falls, formerly the Indian Motorcycle Co. of Springfield, will fold operations here within the next six months, it was revealed in a surprise announcement made today by Lawrence O. Paul, president.

The decision to terminate the brand new plant in the Massachusetts Industrial Park was handed down from the plant's parent firm, Associated Motorcycles, Ltd., of London, England.

It will also bring a permanent ending to the 61-year-old company which was known throughout the world for its product in addition to being America's pioneer in motorcycling.

Mr. Paul, in a statement today, said a decline in the sale of motorcycles of all makes on the English home market was the principal reason for closing down the local plant and consolidating it with the Berliner Motor Corp. of Hasbrouck Heights, N. J., another division in the parent firm.

There are some 30 persons employed here, Mr. Paul indi-

cated members of the sales and service departments will be given the opportunity to continue employment with the Berliner organization.

Since the changeover in residence in late 1959, the Indian Co. has been marketing the English "Matchless," which early this summer won the 100-mile road race at Laconia, N. H. It marked the first time the English motorcycle had been victorious in an American race.

The local plant had a groundbreaking ceremony in June of 1959 on 3.3 acres. It is a single-story structure covering more than 20,000 square feet and was used primarily for assembling motorcycles, and sales.

Control of the Indian Motorcycle Co. was taken over by British interests in January, 1950, following the resignation of Ralph B. Rogers as president.

The first Indian motorcycle was driven by George M. Hendee and Oscar Hedstrum, founders of the company, up Cross-St. hill on May 25, 1901.

Mr. Paul, formerly executive vice-president, was named president under the ownership change when the Indian Co. became a wholly-owned subsidiary of the British firm.

### Motorcycle Firm Reaches End of Up and Down Trail

An abundant collection of yellowed clippings in The Republican's files gives some hint of the long struggle to keep The Indian Co. of Chicopee Falls alive.

#### Will Close Soon

Announcement Saturday that the 61-year-old firm was finally breathing its last follows by only three years a brief period of extreme optimism when the Springfield firm broke ground for a new, 20,000-square foot plant in the Massachusetts Industrial Park.

The Indian Co. was a champion of both lawmen and sportsmen from the days when the gasoline combustion engine was a mere infant.

State police roared after speeding motorists and gangsters get-away cars in Indian cycles for 33 years until 1954 when suddenly, there were no more new machines to be had from Indian.

#### Prosperity Blamed

One observer suggests that this nation emerged from World War II in such prosperity that the economy and thrills of a motorcycle were no longer enticing as automobiles. Millions who might once have coveted a motorcycle, turned instead to four-wheeled craft.

During the war years, the plant manufactured military cycles and parts for B29 aircraft, but in 1945 when the Germans had already fallen and Japan was ready to fold, company officials rolled up their sleeves to prepare for an anticipated deluge of orders for new motorcycles the minute wartime restrictions were lifted.

By the end of that year, clippings indicate orders had indeed piled up high enough to keep the plant busy well into 1946, but scarcity of parts and materials hindered the company every step of the way.

#### New Building

In 1946, however, the future still looked bright enough for the company to expand into a larger plant building and invest \$500,000 to remodel it in 1946.

But less happy headlines began to appear in the 1950s.

"INDIAN CLOSING MACHINE SHOP HERE AT ONCE" exclaimed a story on Dec. 15, 1953.

"STATE POLICE UNABLE TO BUY INDIAN CYCLES FOR FIRST TIME," exclaimed another on July 12, 1954.

But in November, 1954, a seed of optimism was seen in the headline, "INDIAN COMPANY OUT TO RECAPTURE LOST MARKETS."

In 1959, Lawrence O. Paul, then executive vice-president, said the Indian Co.'s line for 1959 was "the most extensive line of motorcycles in our 58-year history."

But Saturday, Paul, now president, announced that the company, which has barely gotten settled in its new \$165,000 plant in Chicopee Falls, was finished.

#### Decision From England

The decision, Paul said, came from the company's English owners, Associated Motorcycles, Ltd., of London, England, because of the decline in the sale of motorcycles of all makes on the English home market.

Operations here, he said will be combined with the Berliner Motor Corp. of Hasbrouck Heights, N. J., another division of the parent company.

The firm's 30 employees will be variously affected by the move. All sales personnel and some from the service department will join the New Jersey firm. Office employees will not accompany the firm in the move.

Employees will receive notice and severance pay which will depend on the length of service with the company and the type of work performed, the notice said.